



भारतीय रिज़र्व बैंक

**RESERVE BANK OF INDIA**

www.rbi.org.in

RBI/2010-11/252

Ref.DBOD.No.Ret.BC.55 /12.02.001/2010-11

November 1, 2010

All Scheduled Commercial Banks

Dear Sir,

**Section 24 of Banking Regulation Act, 1949- Shortfall in Maintenance of Statutory Liquidity Ratio (SLR) – Additional Liquidity support under Liquidity Adjustment Facility (LAF)**

Please refer to our circular [DBOD. No. Ret. BC. 54/12.02.001/2010-11 dated October 29, 2010](#) on the captioned subject.

2. As stated in the Reserve Bank's [press release](#) issued on October 31, 2010, in view of likely persistence of frictional liquidity pressures, it has been decided to extend the liquidity easing measures announced on October 29, 2010 on all days during November 1 - 4, 2010. Accordingly, Scheduled Commercial Banks may avail of additional liquidity support under the Liquidity Adjustment Facility (LAF) to the extent of up to 1.0 per cent of their Net Demand and Time Liabilities (NDTL) as on October 8, 2010. As the LAF auction on November 4, 2010 will be for four days, banks may seek waiver of penal interest for any shortfall in maintenance of Statutory Liquidity Ratio (SLR) arising out of avilment of this facility up to November 7, 2010 purely as an *ad hoc*, temporary measure.

Yours faithfully,

**(P R Ravi Mohan)**  
**Chief General Manager**