

₹4.32 lakh cr with RBI

ANUP ROY

Mumbai, 22 November

Already strained meeting the pressure of supplying fresh notes to banks, the Reserve Bank of India (RBI) is now seeing its balance sheet getting impacted due to a deluge of excess liquidity that the commercial banks are parking with the central bank every day.

RBI could be running out of enough securities to offer banks against the overnight deposits and experts say the central bank now urgently needs policy measures to protect the financial stability of its books.

Banks on Monday parked a mind-boggling ₹4.32 lakh crore of their excess liquidity with the central bank. Before the demonetisation move, banks used to deposit under ₹5,000 crore of their excess liquidity in RBI's reverse repo window. On Monday, netting off for borrowings done by some banks through the liquidity window, the surplus fund parked with RBI was a record ₹4 lakh crore, data released on Tuesday showed. This could only increase in the coming days as people are still queuing up to deposit their old notes at banks and the government still has restrictions on withdrawals.

When banks deposit their money with RBI, the central bank offers government securities of equal value. Therefore, RBI must have offered at least ₹4 lakh crore of bonds to banks on Monday.

RBI is also one of those rare central banks in the world that sets aside bonds against the government's cash balance with the regulator.



The central bank does not disclose the value of the cash balance kept on its books, but in a liquidity surplus scenario, the amount is always at least ₹1 lakh crore, said an economist who did not wish to be named. However, as of June 2016, RBI's total bond holding was only ₹7 lakh crore. This indicates that the central bank is left with a thin buffer of bond holdings on its books, which is inadequate. Government bonds are the highest rated instrument in a country and is the safest asset class. A central bank always has to carry adequate amount of such bonds for its own financial stability.

As more deposits of old notes come into banks, they will tap this

BATTLING A PROBLEM OF PLENTY

- Banks on Monday parked a mind-boggling ₹4.32 lakh crore of their excess liquidity with the central bank
- Before the demonetisation move, banks used to deposit under ₹5,000 crore of their excess liquidity in RBI's reverse repo window
- As of June 2016, RBI's total bond holding was only ₹7 lakh crore
- RBI is also one of those rare central banks in the world that sets aside bonds against the government's cash balance with the regulator

window, which will stretch RBI's bond holding.

Experts say that a central bank can get around this issue. For starters, it can increase the cash reserve ratio (CRR) of banks. Banks need to maintain four per cent of its deposits as cash without earning any interest on it. The central bank can also issue bonds under market stabilisation scheme (MSS) to suck out the liquidity. However, every year the central bank fixes a ceiling on the amount of these bonds. The provision for this year is only ₹30,000 crore.

"Expect a very steep CRR hike by RBI. It has to protect its balance sheet at any cost," said a former RBI official.

wedding

ARUP ROYCHOUDHUR
New Delhi, 22 November

The Narendra Modi government has a number of relaxation for the far reaches functions

Economic Affairs Minister would hold a press conference this morning, the first since the demonetisation move.

While the agriculture minister, Finance Minister in the day said he would now be on rural front. He will be announced for formalising in the union. In the next few days, focus will be on rural areas so that farmers get enough funds for sowing season.

A few decisions were taken yesterday night which will be public today (Tuesday) addressing Bharatiya Janata Party's demands. However, no relaxations on Wednesday could also be societies and insurance.

Speaking at the meeting, Jaitley said the government will go up for various schemes as huge amount were deposited in banks.

The finance minister was enough new government would ease difficulties would be.

On Monday, farmers' protests, farmers chasing seeds from government outlets. The government has up to ₹25,000 crore for your customer loans subject to conditions apart announced last

Old notes not valid for small savings schemes

The finance ministry on Tuesday said ₹500 and ₹1,000 notes cannot be used for making deposits in small savings schemes. Since the demonetisation announcement on November 8, the ministry said it has received references from banks on whether these high denomination currency notes can be deposited in accounts opened under small saving schemes.

"The matter was examined in the ministry and it has been decided that subscribers of small savings schemes may not be allowed to deposit old currency note of ₹500 and ₹1,000 in small saving schemes," the ministry said. Small saving schemes include post office deposits, public provident fund and Sukanya Samriddhi.

PTI

Abbott India Limited

CIN: L24239MH1944PLC007330

Regd off: 3-4, Corporate Park, Sion-Trombay Road, Mumbai - 400 071
Tel No.: 022-2871 7500/6797 8888 Fax No.: 022-2871 7499/6797 8727
Email Id: investor.relations@abbott.com Website: www.abbott.co.in

NOTICE UNDER SECTION 201 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 201 of the Companies Act, 2013 ("Act") and Rules framed thereunder, Notice is hereby given that the Company, in accordance with the requirements under Section 196 and Schedule V of the Act, intends to make an application to the Central Government for seeking an approval for the appointment of Mr. Ambati Venu (DIN: 07614849) as the Managing Director of the Company for a period of 5 (five) years effective September 29, 2016 on such terms and conditions, as proposed and approved by the Nomination and Remuneration Committee and the Board of Directors at its Meeting held on September 29, 2016, subject to the approval of the Shareholders at the next Annual General Meeting of the Company.

The copy of the Board Resolution referred above is available for inspection by the Members at the Registered Office of the Company during business hours on all working days (except Saturdays).

Abbott India Limited
Krupa Anandpara
Company Secretary
Membership No.: ACS16536

Mumbai
November 23, 2016

Abbott



ORIENTAL BANK OF COMMERCE

(A Government Company)
Dept. of Information & Public Relations
Corporate Office : Plot No. 5, Institutional Area, Connaught Place, New Delhi - 110028

NOTICE INVITING BIDS

Online bids are invited from registered bidders for Installation and Maintenance Service (DDOS) Mitigation Service conditions along with the RFP documents on the following websites www.obcindia.co.in and www.obcindia.co.in. Please note that all future updates will be posted on the above websites. Reply to Pre-Bid queries on www.obcindia.co.in and [https://www.obcindia.co.in](http://www.obcindia.co.in) and [https://www.obcindia.co.in](http://www.obcindia.co.in).
Place : Gurgaon
Date : 23-11-2016



WEST BENGAL TRANSMISSIONS CORPORATION

(A Government Company)
Registered Office : Vidyalaya Road, Kolkata - 700017
CIN: U40101WB2005PLC000001

WBSETCL

Abridged Notice

NIT No: CE(P)/WBSETCL/Sub-stn Pkg-1
WBSETCL invites e-tender from bonafide bidders in doing similar nature of work for Constn of 2 nos. sub-station, District- Burdwan along with 2 nos. sub-station, District- Howrah and other documents on 'Turn-key Basis'. Interest to be registered themselves to the e-tendering system on https://etender.wb.nic.in. Detailed information is available on the website (www.wbsetcl.in) from 23.11.2016. The website for bidders' information only. Bids to be submitted on or before 23.11.2016 at 11.00 A.M. and shall be