

RBI/2007-2008/386
Ref: UBD (PCB).No./6 /12.03.000/2007-08

June 26, 2008

The Chief Executive Officers of
All Scheduled Primary (Urban) Co-operative Banks

Dear Sir,

Section 42(1) of Reserve Bank of India Act, 1934-
Maintenance of Cash Reserve Ratio (CRR)

Please refer to our Circular RBI 2007-2008/307 UBD (PCB) Cir. No.5/ 12.03.000/ 2007-08 dated April 30, 2008 on the captioned subject. On review of current global and domestic macroeconomic and financial developments, it has been decided to increase Cash Reserve Ratio (CRR) for Scheduled Primary (Urban) Co-operative Banks by 50 basis points to 8.75 per cent of their Net Demand and Time Liabilities in two stages, effective from the fortnights as indicated below:

Effective Date (i.e., the fortnight beginning from)	CRR on net demand and time liabilities (per cent)
July 05, 2008	8.50
July 19, 2008	8.75

2. A copy of the relevant notification UBD (PCB) No./13/12.03.000/2007-08 dated June 26, 2008 is enclosed.

3. Please acknowledge receipt.

Yours faithfully,

(A.K.Khound)
Chief General Manager in-Charge

June 26, 2008

NOTIFICATION

In exercise of the powers conferred under the Sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934, and in partial modification of its notification UBD(PCB)No.12/12.03.000/2007-08 dated April 30, 2008, the Reserve Bank of India hereby notifies that the average Cash Reserve Ratio (CRR) required to be maintained by every Scheduled Primary (Urban) Co-operative Bank shall, from effective dates mentioned below, be at the percentage points as indicated there against.

Effective Date (<i>i.e.</i> , the fortnight beginning from)	CRR on net demand and time liabilities (per cent)
July 05, 2008	8.50
July 19, 2008	8.75

(V.S.Das)
Executive Director