

RBI/2008-2009/265  
Ref: UBD (PCB).No./8 /12.03.000/2008-09  
2008

November 03,

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 2008-2009/239 UBD (PCB) Cir. No.7/ 12.03.000/ 2008-09 dated October 16, 2008 on the captioned subject.

2. On a review of the current and evolving macroeconomic situation and liquidity conditions in the global and domestic financial markets, and as set out in the RBI Press Release 2008-2009/603 dated November 01, 2008, it has been decided to reduce the Cash Reserve Ratio (CRR) for Scheduled Primary (Urban) Co-operative Banks by 100 basis points from 6.50 per cent to 5.50 per cent of their net demand and time liabilities (NDTL) in two stages, effective from fortnights as indicated below:

<b>Effective date (ie the fortnight beginning from)</b>	<b>CRR on net demand and time liabilities (percent)</b>
October 25, 2008	6.00
November 08, 2008	5.50

3. A copy of the relative notification UBD (PCB) No/7/12.03.000/2008-09 dated November 03, 2008 is enclosed.

4. Please acknowledge receipt.

Yours faithfully,

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

November 03, 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 the earlier notification UBD(PCB)No./6/12.03.000/2008-09 dated October 16, 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 of its net demand and time liabilities shall, from effective dates mentioned below, be at the percentage points as indicated there against.

<b>Effective date (ie the fortnight beginning from)</b>	<b>CRR on net demand and time liabilities (percent)</b>
October 25, 2008	6.00
November 08, 2008	5.50

**(V. S. Das)**  
Executive Director