

April 24, 2007

NOTIFICATION

Consequent upon the notification of Section 3 of the Reserve Bank of India (Amendment) Act, 2006, the amendment carried out to sub-section (1) of Section 42 of Reserve Bank of India Act, 1934 (2 of 1934) has come into force with effect from April 01, 2007. Accordingly, the minimum Cash Reserve Ratio (CRR) requirement of 3 per cent of the total demand and time liabilities no longer exists in respect of Scheduled Primary (Urban) Co-operative Banks with effect from April 01, 2007. It has been decided to modify the operation of the Notification UBD(PCB)No5/12.03.000/2006-07 dated April 05, 2007, accordingly. Further, in exercise of the powers conferred under the amended sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934, the Reserve Bank of India hereby notifies that every Scheduled Primary (Urban) Co-operative Bank should continue to maintain a Cash Reserve Ratio (CRR) of 6.25 per cent from the fortnight beginning from April 14, 2007 and 6.50 per cent from the fortnight beginning from April 28, 2007, subject to the exemptions as envisaged in Notification No. UBD (PCB). No.6/ 12.03.000/2006-07 dated April 24, 2007.

(V.S.Das)
Executive Director