



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2012-13/149

RPCD.CO.RRB.NO.17 /03.05.33(C) /2012-13

July 31, 2012

The Chairmen
All Regional Rural Banks (RRBs)

Dear Sir,

Interest Rates on Deposits held in FCNR (B) Accounts

Please refer to paragraph 4 of the directives enclosed to the circular DBOD.Dir.BC.49/13.03.00/2000-2001 dated November 4, 2000 and mail box clarification dated May 13, 2005 in terms of which it was clarified that in the case of FCNR (B) deposits of staff members, existing or retired, interest rate including any additional interest paid to them by virtue of their being staff members, should not exceed the ceiling stipulated by RBI from time to time.

2. On a review, it has now been decided that RRBs should not allow the benefit of additional interest rate on any type of deposits of non-residents. Accordingly, the discretion given to RRBs to allow the benefit of additional interest rate of one per cent per annum as available to bank's own staff on deposits under FCNR (B) accounts stands withdrawn.

3. All other instructions in this regard, as amended from time to time, will remain unchanged.

Yours faithfully

(C.D.Srinivasan)
Chief General Manager