

**Interest Rate on Deposits under Non-Resident
(External) Rupee Accounts (NRE Accounts)**

RPCD.CO.RF.BC.No.25/07.38.01/2003-04

September 15, 2003
Bhadra 24, 1925(Saka)

To

All State Co-operative Banks and District
Central Co-operative Banks

Dear Sir,

**Interest Rate on Deposits under Non-Resident
(External) Rupee Accounts (NRE Accounts)**

Please refer to our Circular RPCD.RF.BC.No.9/07.38.01/2003-04 dated July 17, 2003 on the above subject.

2. On a review, it has been decided that, **until further notice**, the interest rates on fresh repatriable NRE deposits for one to three years contracted effective close of business in India on 15 September, 2003 should not exceed 100 basis points (instead of 250 basis points announced on 17 July 2003) above the LIBOR/SWAP rates for US dollar of corresponding maturity.
3. The maturity period of repatriable NRE deposits would continue to be one to three years, and the interest rate as determined above for three year deposits would also be applicable in case the maturity period exceeds three years.
4. The above changes in interest rates will also apply to repatriable NRE deposits renewed after their present maturity period.
5. All other instructions contained in our circular RPCD.RF.DIR.BC54/ D.1/1987-88 dated November 2, 1987 as amended from time to time shall remain unchanged.
6. Amending directive RPCD.RF.Dir.26/07.38.01/2003-04 dated September 15, 2003 is enclosed.
7. Kindly acknowledge receipt to our concerned Regional Office

Yours faithfully,

(C.S. Murthy)
Chief General Manager in-Charge