

RBI/ 2006-2007/203

UBD (PCB) Cir. No. 22 / 16.26.000/ 2006-2007

December 11, 2006

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

Dear Sir/Madam,

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

Please refer to our Circular UBD. PCB. Cir 59/16.26.000/2005-06 dated June 22, 2006 on the captioned subject. On review of current macroeconomic and monetary conditions, it has been decided to increase cash reserve ratio (CRR) of scheduled primary (urban) co-operative banks by one-half of one percentage point of their net Demand and Time liabilities (NDTL) in two stages, effective from fortnights as indicated below:

Effective date (i.e., the fortnight beginning from)	CRR on net demand and time Liabilities (per cent)
December 23, 2006	5.25
January 06, 2007	5.50

A copy of the relative notification UBD (PCB) No. 22/16.26.000/2006-2007 dated December 11, 2006 is enclosed.

Please acknowledge receipt.

Yours faithfully

(A. K. Khound)
Chief General Manager