

December 11, 2006

All Scheduled State Co-operative Banks (StCBs) and
Regional Rural Banks (RRBs)

Dear Sir,

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

Please refer to our circular RPCD.RF.BC. 93/07.02.01/2005-2006 (RBI/2005-06/424) dated June 22, 2006 on the above subject. On review of current macroeconomic and monetary conditions, it has been decided to increase Cash Reserve Ratio (CRR) of all Scheduled State Co-operative Banks (StCBs) and Regional Rural Banks (RRBs) 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 the relative notification RPCD.RF.No.5541/07.02.01/2006-07 dated December 11, 2006 is enclosed.

Please acknowledge receipt to our Regional Office concerned.

(K.Bhattacharya)
General Manager