

RBI/2007-2008/287

Ref: DBOD.No.Ret.BC.70 /12.01.001/2007-08

April 21, 2008

All Scheduled Commercial Banks
(excluding Regional Rural Banks)

Dear Sir,

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

Please refer to our Circular RBI/2007-2008/173 DBOD .No. Ret. BC.44 /12.01.001/ 2007-08 dated October 30, 2007 on the captioned subject. On a review of the current liquidity situation, it has been decided to increase Cash Reserve Ratio (CRR) of Scheduled Commercial Banks by one-half of one percentage point of their Net Demand and Time Liabilities in two stages, effective from the fortnights as indicated below:

Effective date (i.e., the fortnight beginning from)	CRR on net demand and time liabilities (per cent)
April 26,2008	7.75
May 10, 2008	8.00

A copy of the relative notification DBOD. No. Ret. BC. 69/12.01.001/2007-2008 dated April 21, 2008 is enclosed.

Please acknowledge receipt.

Yours faithfully

(Vinay Baijal)
Chief General Manager

NOTIFICATION

In exercise of the powers conferred under the sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934 and in partial modification of its notification DBOD.No.Ret.BC.45/12.01.001/2007-08 dated October 30, 2007, the Reserve Bank of India hereby notifies that the average Cash Reserve Ratio (CRR) required to be maintained by every Scheduled Commercial Bank shall, from effective dates mentioned below, be at the percentage points as indicated thereagainst.

Effective date (i.e., the fortnight beginning from)	CRR on net demand and time liabilities (per cent)
April 26, 2008	7.75
May 10, 2008	8.00

(Anand Sinha)
Executive Director