

RBI/2007-2008/288

RPCD.CO.RF.BC.No.59/07.02.01/2007-08

April 21, 2008

All Scheduled State Co-operative Banks

Dear Sir,

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

Please refer to our Circular RBI/2007-2008/174 RPCD.CO.RF.BC.No.34/07.02.01/2007-08 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 State Co-operative 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

2. A copy of the relative notification RPCD.CO.RF.BC.NO.58/ 07.02.01/2007-08 dated April 21, 2008 is enclosed.

3. Please acknowledge receipt to our Regional Office concerned.

Yours faithfully,

(G. Srinivasan)
Chief General Manager

April 21, 2008

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 RPCD.CO.RF.BC.No.33/07.02.01/2007-08 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 State Co-operative 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

(V.S.Das)
Executive Director