

RBI/2007-2008/ 304

Ref: DBOD.No.Ret.BC.79 /12.01.001/2007-08

April 29, 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/2007-2008/287 DBOD .No. Ret. BC.70 /12.01.001/ 2007-08 dated April 21, 2008 on the captioned subject. As set out in the Governor's Annual Policy statement for the year 2008-09 issued on April 29, 2008, on a review of evolving liquidity situation, it has been decided to increase Cash Reserve Ratio (CRR) for Scheduled Commercial Banks from 8.00 per cent to 8.25 per cent of their net demand and time liabilities with effect from the fortnight beginning May 24, 2008.

A copy of the relative notification DBOD. No. Ret. BC. 78 /12.01.001/2007-2008 dated April 29, 2008 is enclosed.

Please acknowledge receipt.

Yours faithfully

(Vinay Bajjal)
Chief General Manager

April 29, 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 DBOD.No.Ret.BC.69/12.01.001/2007-08 dated April 21, 2008, the Reserve Bank of India hereby notifies that the average Cash Reserve Ratio (CRR) required to be maintained by every Scheduled Commercial Bank shall be 8.25 per cent of its net demand and time liabilities from the fortnight beginning from May 24, 2008.

(Anand Sinha)
Executive Director