

July 30, 2008
8 Shravana, Saka 1930

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 RPCD.CO.RF.BC.No. 83 / 07.02.01 / 2007-08 dated June 26, 2008 on the captioned subject. As set out in the Governor's statement on the First Quarter Review of Annual Monetary Policy for the year 2008-09 issued on July 29, 2008, on a review of the current liquidity situation, it has been decided to increase Cash Reserve Ratio (CRR) for Scheduled State Co-operative Banks by 25 basis points to 9.00 per cent of its net demand and time liabilities with effect from the fortnight beginning August 30, 2008.

2. A copy of the relative notification RPCD.CO.RF.BC.No. 14 / 07.02.01 / 2008-09 dated July 30, 2008 is enclosed.

3. Please acknowledge receipt to our Regional Office concerned.

Yours faithfully

(G.Srinivasan)
Chief General Manager-in-Charge

July 30, 2008
8 Shravana, Saka 1930

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. 82 / 07.02.01 / 2007-08 dated June 26, 2008, 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 be 9.00 per cent of its net demand and time liabilities from the fortnight beginning from August 30, 2008.

(V.S.Das)
Executive Director