



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2013-14/478

Ref: DBOD.No.Ret.BC. 93 /12.01.001/2013-14

January 31, 2014

All Scheduled Commercial Banks
(Excluding Regional Rural Banks)

Dear Sir,

Section 42(1) of the Reserve Bank of India Act, 1934 and Section 24 of the Banking Regulation Act, 1949 - FCNR(B)/NRE deposits - Exemption from Maintenance of CRR/SLR and Exclusion from ANBC for Priority Sector Lending

Please refer to our [circular DBOD.No.Ret.BC.36/12.01.001/2013-14 dated August 14, 2013](#), on the captioned subject, wherein banks were advised that with effect from fortnight beginning August 24, 2013, incremental FCNR (B) deposits as also NRE deposits with reference base date of July 26, 2013, and having maturity of three years and above, mobilised by them will be exempt from maintenance of CRR and SLR. Further, advances extended in India against such incremental FCNR (B) / NRE deposits qualifying for exemption from CRR/SLR requirements will also be excluded from Adjusted Net Bank Credit (ANBC) for computation of priority sector lending targets.

2. On a review, and in order to give banks some time, it has been decided that the exemption granted on incremental FCNR (B)/NRE deposits from maintenance of CRR/SLR will be withdrawn with effect from reporting fortnight beginning March 8, 2014, i.e., only the eligible amount of incremental FCNR (B) and NRE deposits of maturities of three years and above from the base date of July 26, 2013, and outstanding as on March 7, 2014, would qualify for CRR/SLR exemption till their maturities/ pre-mature withdrawals.

3. Further, advances extended in India against the above mentioned incremental FCNR (B)/ NRE deposits, qualifying for exemption from CRR/ SLR requirements, will be eligible for exclusion from Adjusted Net Bank Credit, till their repayment, for computation of priority sector lending targets.

Yours faithfully

(Sudha Damodar)
Chief General Manager