



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2009-10/181

RPCD.CO.RF.BC.No.31/07.38.01/2009-10

October 12, 2009

All State and Central Co-operative Banks

Dear Sir,

Payment of interest on Saving Bank Account on a Daily Product Basis

Please refer to paragraph 3 (iii) of our directive RPCD.No.RF.Dir.BC.53/D.1-87/88 dated November 2, 1987, in terms of which interest in the case of savings deposits shall be calculated on the minimum balance to the credit of the deposit account during the period from the 10th to the last day of each calendar month.

2. On a review, it has been decided that the interest on balances in savings bank accounts would be calculated on a daily product basis with effect from **April 01, 2010**. All State and Central Co-operative Banks are advised to work out modalities to effect a smooth transition to the revised procedure.

Yours faithfully,

(R.C.Sarangi)
Chief General Manager