

Ref: DBOD.No.Ret.BC. 71/12.01.001/2009-10

Dated: January 29, 2010

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

Please refer to our Circular DBOD. No. Ret. BC.103/12.01.001/ 2008-09 dated January 02, 2009 on the captioned subject.

2. On the basis of the current macroeconomic assessment, as set out in the Third Quarter Review of Monetary Policy 2009-10 issued on January 29, 2010, it has been decided to increase the Cash Reserve Ratio (CRR) for Scheduled Commercial Banks by 75 basis points from 5.00 per cent to 5.75 per cent of their net demand and time liabilities (NDTL) in two stages, effective the fortnights as indicated below:

Effective date (i.e., the fortnight beginning from)	CRR on net demand and time liabilities (per cent)
February 13, 2010	5.50
February 27, 2010	5.75

3. A copy of the relative notification DBOD. No. Ret. BC.70/12.01.001/2009-10 dated January 29, 2010 is enclosed.

4. Please acknowledge receipt.

RBI/2009-10/296

(P. K. Mahapatra)
General Manager

Encl:1

DBOD.No.Ret.BC. 70 /12.01.001/2009-2010

January 29, 2010

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 the earlier notification DBOD.No.Ret.BC102/12.01.001/2008-09 dated January 2, 2009, the Reserve Bank of India hereby notifies that the average Cash Reserve Ratio (CRR) required to be maintained by every Scheduled Commercial Bank shall, from effective dates mentioned below, be at the percentage points indicated thereagainst.

Effective date (i.e., the fortnight beginning from)	CRR on net demand and time liabilities (per cent)
February 13, 2010	5.50
February 27, 2010	5.75

(G. Gopalakrishna)
Executive Director