February 14, 2007

All Regional Rural Banks

Dear Sir,

## Section 42 (1) of Reserve Bank of India Act, 1934 – Maintenance of CRR-Regional Rural Banks (RRBs)

Please refer to our circular RPCD.CO.RF.BC.38/07.02.01/2006-2007 (RBI/2006-07/202) dated December 11, 2006 on the above subject. As set out in Press Release: 2006-07/1094 dated February 13, 2007, it has been decided to increase Cash Reserve Ratio (CRR) of all Regional Rural Banks by one-half of one percentage point of their net Demand and Time Liabilities (NDTL) in two stages, effective from fortnights as indicated below:

Effective date	CRR on net demand
(i.e., the fortnight beginning from)	and time liabilities (per cent)
February 17, 2007	5.75
March 3, 2007	6.00

A copy the relative notification RPCD RRB.CO No7523 / 03.05.28(B)/2006-07 dated February 14, 2007 is enclosed.

Please acknowledge receipt to our Regional Office concerned.

Yours faithfully,

(Surekha Marandi) General Manager