



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2013-14/639

UBD.BPD.(PCB).Cir.No.72/13.01.000//2013-14

June 11, 2014

The Chief Executive Officer
All Primary (Urban) Co-operative Banks

Dear Sir/Madam,

**Section 42(1) of the Reserve Bank of India Act, 1934 and
Section 18 & 24 of the Banking Regulation Act, 1949 (AACs)-
FCNR (B)/NRE deposits – Exemption from Maintenance of CRR/SLR
and Exclusion from ABC for Priority Sector Lending**

Please refer to our [circular UBD.BPD.\(PCB\).Cir.No.5/13.01.000//2013-14 dated August 27, 2013](#), in terms of which Urban Co-operative Banks were advised that with effect from fortnight beginning August 24, 2013, incremental FCNR (B) deposits as also NRE deposits with reference to 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 Bank Credit for computation of priority sector lending targets.

2. On a review, 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has been decided that the exemption granted on incremental FCNR (B) /NRE deposits from maintenance of CRR/SLR will be withdrawn with effect from reporting fortnight beginning June 14, 2014, i.e., only the eligible amount of incremental FCNR (B) and NRE deposits of maturities of three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 June 13, 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 Bank Credit, till their repayment, for computation of priority sector lending targets.

Yours faithfully,

(A.K.Bera)
Principal Chief General Manager

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बैंक हिन्दी में पत्राचार का स्वागत करता है।

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिये कोई भी व्यक्तिगत जानकारी जैसे बैंक खाते का ब्यौरा, पासवर्ड आदि नहीं मांगा जाता है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी प्रकार से जवाब मत दीजिए।
Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.