



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
[www.rbi.org.in](http://www.rbi.org.in)

RBI/2013-14/215

UBD.BPD.(PCB) CIR No. 8 /13.01.000/2013-14

September 3, 2013

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

Dear Sir/Madam,

**Deregulation of Interest Rates on  
Non-Resident (External) Rupee (NRE) Deposits**

Please refer to our [circular UBD.BPD.\(PCB\) CIR No.16/13.01.000/2011-12 dated December 28, 2011](#) on Deregulation of Interest Rates on Non-Resident (External) Rupee (NRE) Deposits and Ordinary Non- Resident (NRO) Accounts.

2. In terms of paragraph 2 ibid, interest rates offered by banks on NRE deposits cannot be higher than those offered by them on comparable domestic rupee deposits. However, in order to pass on the benefit of exemption provided on incremental NRE deposits with maturity of 3 years and above from CRR/ SLR requirements, it has been decided to give banks the freedom to offer interest rates on such deposits without any ceiling. The extant ceiling on NRO Accounts will continue.

3. All other instructions in this regard, as amended from time to time, will remain unchanged.

4. These instructions will be valid up to November 30, 2013, subject to review.

5. An amending directive UBD.BPD.DIR No.3/13.01.000/2013-14 dated August 30, 2013 is enclosed.

Yours faithfully,

(A.K.Bera)  
Principal Chief General Manager

शहरी बैंक विभाग, केंद्रीय कार्यालय, गारमेंट हाऊस, पहली मंजिल, डॉ. एनी बेसेंट मार्ग, वरली, मुंबई - 400018 भारत  
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**हिंदी आसान है, इसका प्रयोग बढ़ाइए—**

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्ति की जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके 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.



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UBD.BPD.DIR No. 3 /13.01.000/2013-14

August 30, 2013

**Deregulation of Interest Rates on Non-Resident  
(External) Rupee (NRE) Deposits**

In exercise of the powers conferred by Section 35A, read with Section 56 of the Banking Regulation Act, 1949, and in modification of the directive [UBD.BPD.DIR No. 5/13.01.000/2011-12 dated December 28, 2011](#) on Deregulation of Interest Rates on Non-Resident (External) (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that banks are free to offer interest rates without any ceiling on NRE deposits with maturity of 3 years and above. The extant ceiling on NRO Accounts will continue. These instructions will be valid up to November 30, 2013, subject to review.

(S. Karuppasamy)  
Executive Director

शहरी बैंक विभाग, केंद्रीय कार्यालय, गारमेंट हाऊस, पहली मंज़िल, डॉ. एनी बेसेंट मार्ग, वरली, मुंबई - 400018 भारत  
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