



भारतीय रिजर्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2009-10/140

UBD (PCB) BPD Cir No. 7 /13.01.000/2009-10

September 01, 2009

Chief Executive Officer of
All Primary (urban) Cooperative Banks

Dear Sir/ Madam

Payment of interest on Savings Bank Account on a Daily Product Basis – UCBs.

Please refer to the Directive UBD.DC.102/V.1-86/87 dated June 25, 1987 in terms of which UCBs were instructed that interest on savings deposits should 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 interest on balances in savings bank accounts would be calculated on a daily product basis with effect from **April 1, 2010**. UCBs may ensure that they have the requisite infrastructure in place to effect a smooth transition to the revised procedure.

Yours faithfully,

(A. K. Khound)
Chief General Manager