RBI/2014-2015/487 FMOD.MAOG.No.106/01.01.001/2014-15

March 04, 2015

All Scheduled Commercial Banks (excluding RRBs), Scheduled Urban Co-operative Banks and Standalone Primary Dealers

Madam / Sir,

<u>Liquidity Adjustment Facility – Repo and Reverse Repo Rates</u>

As announced by the Governor today, it has been decided to reduce the Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 7.75 per cent to **7.50 per cent** with immediate effect.

- 2. Consequent to the change in the Repo rate, the Reverse Repo rate under the LAF will stand adjusted to **6.50 per cent** with immediate effect.
- 3. All other terms and conditions of the current LAF Scheme will remain unchanged.
- 4. Please acknowledge receipt.

Yours sincerely

(M. Rajeshwar Rao) Chief General Manager