

RBI/2014-2015/404 FMOD.MAOG.No.105/01.18.001/2014-15

January 15, 2015

All Scheduled Commercial Banks (excluding RRBs)

Dear Sir,

Marginal Standing Facility

<u>As announced by the Governor today</u>, it has been decided to reduce the Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 8.00 per cent to **7.75 per cent** with immediate effect.

2. Consequent to the change in the Repo rate, the Marginal Standing Facility (MSF) rate will stand adjusted to **8.75 per cent** with immediate effect.

3. All other terms and conditions of the current MSF scheme will remain unchanged.

4. Please acknowledge receipt.

Yours sincerely

(M. Rajeshwar Rao) Chief General Manager