

RBI/2010-2011/138

FMD.MOAG. No.48/01.01.01/2010-11

July 27, 2010

All Scheduled Commercial Banks (excluding RRBs)
and Primary Dealers

Dear Sir,

Liquidity Adjustment Facility – Repo and Reverse Repo Rates

As announced in the [First Quarter Review of Monetary Policy 2010-11](#), it has been decided to increase the repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 5.50 per cent to 5.75 per cent and the reverse repo rate by 50 basis points from 4.00 per cent to 4.50 percent with effect from Second LAF of July 27, 2010.

2. All other terms and conditions of the current LAF Scheme will remain unchanged.

3. Please acknowledge receipt.

Yours sincerely

(P. Krishnamurthy)
Chief General Manager