

RBI/2013-14/340 FMD.MOAG. No. 91 /01.18.001/2013-14

October 29, 2013

All Scheduled Commercial Banks (excluding RRBs)

Madam / Sir,

## **Marginal Standing Facility Rates**

As announced today in the <u>Second Quarter Review of the Monetary Policy 2013-14</u>, it has been decided to reduce the Marginal Standing Facility (MSF) rate by 25 basis points from 9.00 percent to **8.75 per cent** with immediate effect.

- 2. Consequent to this change, Marginal Standing Facility (MSF) rate is recalibrated to 100 basis points above the policy repo rate under the Liquidity Adjustment Facility (LAF).
- 3. All other terms and conditions of the current MSF Scheme will remain unchanged.

Yours sincerely

(G. Mahalingam) Principal Chief General Manager