

RBI/2018-2019/114 FMOD.MAOG.No.128/01.01.001/2018-19

February 7, 2019

All Liquidity Adjustment Facility (LAF) participants

Madam/Sir,

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

As announced in the <u>Sixth Bi-monthly Monetary Policy Statement</u>, <u>2018-19</u>, today, it has been decided by the Monetary Policy Committee (MPC) to reduce the policy Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 6.5 per cent to **6.25 per cent** with immediate effect.

- 2. Consequently, the Reverse Repo rate under the LAF stands adjusted to **6.0 per cent** with immediate effect.
- 3. All other terms and conditions of the extant LAF Scheme will remain unchanged.

Yours sincerely

(Radha Shyam Ratho) Chief General Manager