

RBI/2019-2020/33 FMOD.MAOG. No.134/01.01.001/2019-20

August 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>Third Bi-monthly Monetary Policy Statement</u>, <u>2019-20</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 35 basis points from 5.75 per cent to **5.40** per cent with immediate effect.

- 2. Consequently, the Reverse Repo rate under the LAF stands adjusted to **5.15 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