

DBOD.No.BC.177/13.07.07/93

October 11, 1993

All Scheduled Commercial Banks

Dear Sir,

**Inter-bank Participations**

Please refer to our circular DBOD.No.BP.BC.57/62-88 dated 31 December, 1988 on the above subject. In this connection, your attention is invited to paragraph 11(n) of our Governor's circular CPC.No.BC.132/07.01.279/93 dated 11 October, 1993, in terms of which the stipulation relating to the minimum rate of interest of 14 per cent per annum on Inter-Bank Participations with risk sharing has been withdrawn. Thus, with effect from 12 October, 1993, the issuing banks and the participating banks are free to determine the rate of interest on Inter-Bank Participations with risk sharing.

2. All other instructions contained in our aforesaid circular, as amended from time to time, shall remain unchanged.

Yours faithfully,

Sd/-

**(S.L. PARMAR)**  
Joint Chief Officer