

RBI.No.2007-08/161
DBOD.No.Dir.BC. 41/13.03.00/2008-2009

September 10, 2008
Bhadra 19, 1930 (Saka)

**All Scheduled Commercial Banks
(excluding RRBs)**

Dear Sir

**Banks' Exposure to Capital Market –
Loans extended by banks to Mutual Funds and
Issue of Irrevocable Payment Commitments (IPCs)**

Please refer to our circular No.DBOD.Dir.BC.92/13.03.00/2007-2008 dated June 9, 2008, in terms of which the transition period allowed to banks to comply with the requirements contained in our circular No.DBOD.Dir.BC.57/ 13.03.00/2007-2008 dated December 14, 2007, was extended up to September 13, 2008. On a review, it has been decided to extend the transition period by another three months, i.e., up to December 13, 2008.

Yours faithfully

(Prashant Saran)
Chief General Manager-in-Charge