

RBI/2008-09/ 301
Ref.No.MPD.BC. 312 /02.01.009/2008-09

December 1, 2008

All Scheduled Commercial Banks
(excluding Regional Rural Banks)

Dear Sir/Madam,

Re: Special Refinance Facility (SRF) under Section 17(3B) of the Reserve Bank of India Act, 1934

Please refer to our circular Ref.No.MPD.BC.309/02.01.009/2008-09 dated November 3, 2008 on the Special Refinance Facility (SRF) under Section 17(3B) of the Reserve Bank of India Act, 1934 under which all scheduled commercial banks (excluding RRBs) are provided refinance from the Reserve Bank equivalent to up to 1.0 per cent of each bank's net demand and time liabilities (NDTL) as on October 24, 2008 at the repo rate under the liquidity adjustment facility (LAF) up to a maximum period of 90 days during which refinance can be flexibly drawn and repaid.

2. As indicated in the Reserve Bank's Press Release No.2008-2009/798 of November 28, 2008, it is clarified that this facility can be rolled over. It has also been decided to continue this facility up to June 30, 2009.

Yours faithfully,

(M.D.Patra)
Adviser-in-Charge