

RBI/2008-09/323
DBOD.No.Dir.BC.98/13.03.00/2008-2009

December 12, 2008

**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.41/13.03.00/2008-2009 dated September 10, 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 December 13, 2008. On a review, it has been decided to extend the transition period up to March 31, 2009.

Yours faithfully

(P Vijaya Bhaskar)
Chief General Manager