

Reduction in repo rate

August 23, 2003

In view of the current macroeconomic and overall monetary conditions, the Reserve Bank of India has decided to reduce the one day and 14 day repo rate under the Liquidity Adjustment Facility (LAF) of the Reserve Bank to be made available on August 25, 2003 to 4.5 per cent from 5.0 per cent.

Thereafter, as per the current practice, the cut-off rate for acceptance of bids for one day and 14 day repo will continue to be decided by the Reserve Bank at each auction.

Alpana Killawala
General Manager

Press Release : 2003-2004/258