



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2011-12/308
FMD. No.65 /01.18.001/2011-12

December 21, 2011

All Scheduled Commercial Banks

Dear Sir,

Marginal Standing Facility - Scheme

Please refer to our [Circular RBI/2010-11/515 dated May 9, 2011](#) on the captioned subject.

2. It has been decided to permit banks to avail themselves of funds from RBI on overnight basis, under Marginal Standing Facility (MSF), against their excess SLR holdings. Additionally, they can also avail themselves of funds, on overnight basis below the stipulated SLR, up to one per cent of their respective Net Demand and Time Liabilities outstanding at the end of second preceding fortnight. In the event the banks' SLR holdings fall below the statutory requirement, banks will not have the obligation to seek a specific waiver for default in SLR compliance arising out of use of this facility in terms of notification issued under sub section (2A) of Section 24 of the Banking Regulation Act, 1949.
3. All other terms and conditions of the current MSF Scheme will remain unchanged.
4. Please acknowledge receipt.

Yours sincerely

(G Mahalingam)
Chief General Manager