All Scheduled Commercial Banks
(excluding RRBs)

Dear Sir / Madam,

**Interest Rate Ceiling on Lines of Credit with Overseas Banks**

Please refer to our circulars DBOD.DIR.No.52/04.02.001/2011-12 dated November 15, 2011 and DBOD.DIR.No.91/04.02.001/2011-12 dated March 30, 2012 relating to interest rate ceiling on lines of credit with overseas banks.

2. It has been decided that the interest rate ceiling on lines of credit with overseas banks will continue to be six months LIBOR / EURO LIBOR / EURIBOR plus 250 basis points till further orders.

3. A directive DBOD.DIR.BC.No.45/04.02.001/2012-13 dated September 27, 2012 issued in this regard is enclosed.

Yours faithfully,

(Sudha Damodar)
Chief General Manager

Department of Banking Operations and Development, Central Office, 13th floor, NCOB, Shahid Bhagat Singh Marg, Mumbai - 400001
Tel No: 91-22-22801000 Fax No: 91-22-22701241 Email ID: cgmicdbodco@rbi.org.in
Interest Rate Ceiling on Lines of Credit with Overseas Banks

In exercise of the powers conferred by Sections 21 and 35A of the Banking Regulation Act, 1949, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest so to do hereby directs that, in continuation of directive DBOD.DIR.BC.No.90/04.02.001/2011-12 dated March 30, 2012, the prescription regarding the interest rate ceiling on overseas line of credit will continue till further orders.

(B. Mahapatra)
Executive Director