

Development in the Money Market- Rating of Term Deposits

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October 10, 2000
Ashwina 18, 1922

**To Chairmen / Chief Executives
All-India Term lending and
Refinancing Institutions**

Dear Sir,

Development in the Money Market- Rating of Term Deposits

As you are aware, select all India Financial Institutions, which are governed by the RBI guidelines, can raise resources upto an 'Umbrella Limit' equivalent to 100 per cent of NOF as per the latest audited balance sheet, by way of various instruments including Term Deposits. At present, accepting of term deposits by FIs does not require any rating. In order to improve the functional efficiency of the market, rating would be mandatory for the Term Deposits accepted by all-India Financial Institutions effective November 1, 2000.

2. Please acknowledge receipt

Yours faithfully

**SD/-
(K.C.Bandyopadhyay)
Chief General Manager**