



भारतीय रिजर्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2018-19/204

DBR.No.BP.BC.46/21.04.141/2018-19

June 10, 2019

All Commercial Banks
(excluding RRBs)

Dear Sir/Madam

Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks - Sale of investments held under Held to Maturity (HTM) category

Please refer to our [circular DBR No BP.BC.6/21.04.141/2015-16 dated July 1, 2015](#), advising banks that if the value of sales and transfer of securities to / from HTM category exceeds 5 per cent of the book value of investments held in HTM category at the beginning of the year, banks should disclose the market value of the investments held in the HTM category and indicate the excess of book value over market value for which provision is not made.

2. Apart from transactions that are already exempted from inclusion in the 5 per cent cap, it has been decided that repurchase of State Development Loans (SDLs) by the concerned state government shall also be exempted.

Yours faithfully,

(Saurav Sinha)
Chief General Manager-in-Charge