



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2010-11/473

RPCD.CO.RRB.BC.No.59 /03.05.34 /2010-11

April 11, 2011

The Chairman
All Regional Rural Banks/Sponsor Banks

Dear Sir,

**Investment in SLR Securities by
Regional Rural Banks (RRBs)**

Please refer to our [circular RPCD.RRB.BC.No.68/03.05.34/2008-09 dated April 9, 2010](#) on the captioned subject.

2. On a review of the issue it has been decided that the exemption granted to RRBs up to financial year 2009-10 from 'mark to market' norms in respect of their investment in SLR securities be extended by for three years i.e. for the financial years 2010-11, 2011-12 and 2012-13. Accordingly, RRBs will have the freedom to classify their entire investment portfolio of SLR securities under 'Held to Maturity' for the financial years 2010-11, 2011-12 and 2012-13 with valuation on book value basis and amortization of premium, if any, over the remaining life of securities.

3. Please acknowledge receipt to the respective Regional Office.

Yours faithfully

(C.D.Srinivasan)
Chief General Manager