

Master Circular DBR.No.BP.BC.2/21.04.048/2015-16 dated July 1, 2015 on [Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances](#)

Sr. No.	Reference Paragraph	Existing Extract	Amended text in RBI regulation (track change mode)
1	4.2.7 (iv)	<p>.....</p> <p>g) Since the legal position regarding bilateral netting is not unambiguously clear, receivables and payables from/to the same counterparty including that relating to a single derivative contract should not be netted.</p> <p>h) Similarly, in case a fund-based credit facility extended to a borrower is classified as NPA, the MTMs of all the derivative exposures should be treated in the manner discussed above</p>	<p>.....</p> <p>g) Since the legal position regarding bilateral netting is not unambiguously clear, receivables and payables from/to the same counterparty including that relating to a single derivative contract should not be netted.</p> <p><u>gh)</u> Similarly, in case a fund-based credit facility extended to a borrower is classified as NPA, the MTMs of all the derivative exposures should be treated in the manner discussed above</p>