

RBI/2009-10/343
IDMD.PDRD.No. 3843 / 03.64.00/2009-10

March 9, 2010

All Standalone Primary Dealers

Dear Sir

Investment Portfolio of Primary Dealers – Extension of HTM Category for PDs

Please refer to the circular [RBI / 2009-10 / 136 - IDMD.PDRD.No. 1050 / 03.64.00 / 2009-10](#) dated August 31, 2009 allowing the standalone Primary Dealers (PDs) to categorize a portion of their Government securities portfolio in the Held to Maturity (HTM) category, subject to certain conditions, till March 31, 2010. The above guidelines have been reviewed and it has been decided to permit the PDs to continue holding of Government securities in HTM category until further advice. All other conditions specified in the circular referred to above will continue to apply.

2. Banks undertaking PD activities departmentally may continue to follow the extant guidelines applicable to banks in regard to the classification and valuation of the investment portfolio issued by our Department of Banking Operations and Development.

Yours faithfully

(K.V.Rajan)
Chief General Manager