

RBI/2022-23/55

DOR.ACC.REC.No.37/21.04.018/2022-23

May 19, 2022

Dear Sir/ Madam,

Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Reporting of reverse repos with Reserve Bank on the bank's balance sheet

Please refer to the 'Notes and Instructions for Compilation' given in Part A of Annexure II to the [Reserve Bank of India \(Financial Statements - Presentation and Disclosures\) Directions, 2021](#), regarding the reporting of reverse repo transactions by the banks on their balance sheet.

2. In order to bring more clarity on the presentation of reverse repo on the balance sheet, it has now been decided as under:

- (a) All type of reverse repos with the Reserve Bank including those under Liquidity Adjustment Facility shall be presented under sub-item (ii) '*In Other Accounts*' of item (II) '*Balances with Reserve Bank of India*' under Schedule 6 '*Cash and balances with Reserve Bank of India*'.
- (b) Reverse repos with banks and other institutions having original tenors up to and inclusive of 14 days shall be classified under item (ii) '*Money at call and short notice*' under Schedule 7 '*Balances with banks and money at call and short notice*'.
- (c) Reverse repos with banks and other institutions having original tenors more than 14 days shall be classified under Schedule 9 – '*Advances*' under the following heads:
 - i. A.(ii) '*Cash credits, overdrafts and loans repayable on demand*'
 - ii. B.(i) '*Secured by tangible assets*'

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iii. C.(I).(iii) *Banks* (iv) *'Others'* (as the case may be)

3. In addition, certain sections in the said Directions are being updated for editorial corrections as given in the [Annex](#).

Applicability

4. This circular is applicable to all commercial banks. The [Reserve Bank of India \(Financial Statements - Presentation and Disclosures\) Directions, 2021](#), stands updated to reflect these changes.

Yours faithfully,

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(Usha Janakiraman)
Chief General Manager

Annex 1: Other changes in the [Reserve Bank of India \(Financial Statements - Presentation and Disclosures\) Directions, 2021](#)

Sr. No.	Paragraph in the existing MD	Existing Paragraph	Revised Paragraph
1	17	In terms of sections 17(1),11(1)(b)(ii) and 56 of the Banking Regulation Act, 1949 banks are required to transfer, out of the balance of profit as disclosed in the profit and loss account, a sum equivalent to not less than 20 per cent of such profit to Reserve Fund.....	In terms of sections 17(1),11(2)(b)(ii) and 56 of the Banking Regulation Act, 1949 banks are required to transfer, out of the balance of profit as disclosed in the profit and loss account, a sum equivalent to not less than 20 per cent of such profit to Reserve Fund.....
2	Annexure II	The Bank shall specifically indicate that advances secured by tangible assets includes advances against book debts as shown below: “B(i) Secured by tangible assets * (* includes advances against Book Debt: ₹.... , (previous year: ₹....))”	The Bank shall specify that advances secured by tangible assets includes advances against book debts.
3	Annexure V	-	Following circulars have been added to the list of circulars repealed at Annexure V:

Sr. No.	Paragraph in the existing MD	Existing Paragraph	Revised Paragraph
			i. UBD.BPD.PCB.Cir.7/09.50.00/2003-04 dated August 5, 2003. ii. UBD.BPD.PCB.Cir.No.28/12.05.001/2005-06 dated January 24, 2006 .
4	Annexure V	At Sr. No. 43	Paragraphs 2(a) and 4 to 17 of circular dated February 25, 2003, which have been repealed have been specified clearly in the Annexure V.
5	Annexure V	At Sr. No. 97	Paragraphs 1, 2 and 3 of circular dated May 30, 2014, which have been repealed have been specified clearly in the Annexure V.