

9 April 2007

Ref: 503.2/1/F & A /Prudential Norms/004/April -07

The Chief Executive Officers of
Insurance & Re-insurance companies

Prudential norms for Income Recognition, Asset Classification and Provisioning and other related matters

This is further to circular letter No. 32/2/F&A/Circulars/169/Jan/2006-07 dated January 24, 2007.

It is hereby, clarified that the words "90 days" appearing in the circular may be read as "one quarter".

All insurers are requested to take note of the above.

Yours faithfully,

(C.R. Muralidharan)
Member