



Valuation Of Investments In InvITs And REITs

RBI/2026-27/264, DOR.MRG.REC.No.228/00-00-001/2026-27 dated 22 September 2026 | Effective from date of issue

The RBI (Commercial Banks – Classification, Valuation and Operation of Investment Portfolio) Third Amendment Directions, 2026 inserts Paragraph 84A (InvITs) and Paragraph 84B (REITs). Before this, the Directions had no specific valuation rules for these instruments. RBI has made similar amendments for All India Financial Institutions, Small Finance Banks, Payments Banks and Local Area Banks.

Valuation framework

Holding	Valuation basis	Implication
Quoted units / securities	Same as other quoted securities under the Directions (mutatis mutandis)	Existing market-price framework applies
Unquoted units	NAV as disclosed by the InvIT / REIT	Disclosed NAV becomes the valuation anchor
NAV not computed or disclosed as per SEBI regulations, or units infrequently traded	₹1 per unit	Can cause a sharp write-down
Other unquoted instruments	Methodology prescribed for that instrument type	Depends on the nature of the instrument

Our view

The amendments bring certainty and uniformity across lenders. The ₹1 fallback is deliberately conservative. Treasury and risk teams should check, every reporting period, that NAV has been disclosed on time and whether units are classified as infrequently traded.

Source: [RBI \(Commercial Banks – Investment Portfolio\) Third Amendment Directions, 2026](#)