



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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RBI/2019-20/165

DOR.No.Ret.BC.38/12.01.001/2019-20

February 26, 2020

All Scheduled Commercial Banks (including Regional Rural Banks),
Small Finance Banks, Payments Banks & Local Area Banks.

Dear Sir / Madam

Investment in Certificates of Deposit (CDs) - Reporting in Form 'A' Return

Please refer to our circular DBOD.Ret.No.8232/12.01.001/2005-06 dated March 23, 2006 on "Investment in Certificates of Deposit (CDs)" whereby banks were advised about the reporting of transactions related to issuance and investment in Certificates of Deposit (CDs) in Form 'A' Return under Section 42 of the Reserve Bank of India Act, 1934.

2. On a review, it has been decided that the banks should follow the following practice while reporting their transactions in CDs in Form 'A' Return.

A) Based on the statement issued by depositories, if the CDs issued are held by banks on reporting Friday, the issuer bank should report such CDs under item I of the Form 'A' Return *i.e.*, "Liabilities to the Banking System in India". The CDs held by non-bank entities should be reported as "Liabilities to Others in India", as hitherto. If the bank is not in a position to segregate the holders of CDs issued between bank and non-bank entities, then the total CDs issued should be reported under item II of the Form 'A' Return *i.e.*, "Liabilities to Others in India". The reporting of CDs should be done as per the issue price of the CDs.

विनियमन विभाग, केंद्रीय कार्यालय, 12वीं और 13वीं मंज़िल, केंद्रीय कार्यालय भवन, शहीद भगत सिंह मार्ग, मुंबई 400001
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बैंक हिंदी में पत्राचार का स्वागत करता है

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc.
It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.



B) Investments in CDs issued by other banks should be reported under item III of the Form 'A' Return *i.e.*, "Assets with the Banking System in India" and these assets could be netted off against "Liabilities to the Banking System in India".

Yours faithfully

(Dr. S K Kar)
Chief General Manager