



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
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RBI/2018-19/205

DCBR.BPD.(PCB) Cir.No.10/16.20.000/2018-19

June 10, 2019

The Chief Executive Officers of  
All Primary (Urban) Co-operative Banks

Madam / Dear Sir,

**Sale of Securities held in Held to Maturity (HTM) Category - Accounting treatment**

Please refer to Para 16.2 of [Master Circular DCBR.BPD.\(PCB\).MC.No.4/16.20.000/2015-16 dated July 01, 2015](#) on Investments by Primary (Urban) Co-operative Banks (UCBs) indicating that securities acquired by banks with the intention to hold them up to maturity will be classified under HTM category.

2. In this connection, it is reiterated that UCBs are not expected to resort to sale of securities held in HTM category. However, if due to liquidity stress, UCBs are required to sell securities from HTM portfolio, they may do so with the permission of their Board of Directors and rationale for such sale may be clearly recorded. Profit on sale of investments from HTM category shall first be taken to the Profit and Loss account and, thereafter, the amount of such profit shall be appropriated to 'Capital Reserve' from the net profit for the year after statutory appropriations. Loss on sale shall be recognized in the Profit and Loss account in the year of sale.

Yours faithfully,

(Neeraj Nigam)  
Chief General Manager

सहकारी बैंक विनियमन विभाग, केंद्रीय कार्यालय, सी-7, पहली/दूसरी मंज़िल, बांद्रा कुर्ला संकुल, बांद्रा (पूर्व), मुंबई - 400 051

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हिंदी आसान है, इसका प्रयोग बढ़ाइए-

चेतावनी: रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का न्यौंरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।

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