



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2013-14/321

UBD CO BPD (PCB) Cir. No.29/13.05.000/2013-14

October 10, 2013

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

Dear Sir / Madam,

### Unsecured Exposure Norms for UCBs

Please refer to our [circular UBD BPD \(PCB\) Cir. No.45/13.05.000/2012-13 dated April 03, 2013](#) on the captioned subject exempting UCBs fulfilling certain conditions from the extant ceiling of 10% of total assets for unsecured loans and advances and permitting them to grant, with the prior approval of Reserve Bank of India, unsecured loans upto ₹ 20,000/- in a single account (with or without surety) upto 25% of their total assets. On a review thereof, it has been decided to exempt unsecured loans upto ₹ 10,000/- sanctioned by UCBs from the aggregate ceiling on unsecured exposure of 10% of total assets as per audited balance sheet as on March 31 of the previous financial year, subject to the following conditions:

- The individual amount sanctioned should not exceed ₹ 10,000/-;
- The loan should be for productive purpose and banks should ensure end use of funds lent;
- The bank should have CRAR of 9% and
- The Gross NPAs of the bank should be less than 10% of gross advances.

शहरी बैंक विभाग, केंद्रीय कार्यालय, गारमेंट हाऊस, पहली मंज़िल, डॉ. एनी बेसेंट मार्ग, वरली, मुंबई - 400018 भारत

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**हिंदी आसान है, इसका प्रयोग बढ़ाइए**

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्ति की जानकारी जैसे बैंक के खाते का ब्यौरा, 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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The unsecured loans so extended by the bank shall not exceed 15% of its total assets. Financial parameters detailed above shall be as on March 31 of the previous year, as assessed by Reserve Bank of India.

2. UCBs which do not meet the above criteria would continue to be governed by the extant guidelines limiting the ceiling on unsecured loans (with or without surety or for cheque purchase) to 10% of total assets as per audited balance sheet as on March 31 of the previous financial year, with individual and group borrower limits ranging from ₹ 25,000/- to ₹ 5.00 lakhs, depending on the size of Demand and Time Liabilities (DTL) and compliance with CRAR as specified in our [circular UBD BPD \(PCB\) Cir. No.21/13.05.000/2010-11 dated November 15, 2010](#) on 'Maximum Limit on Unsecured Loans and Advances'.

Yours faithfully,

(A.K. Bera)  
Principal Chief General Manager