



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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May 28, 2014

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

Madam / Dear Sir,

Lending to Public Sector Undertakings

It has been observed that a few Urban Cooperative Banks (UCBs) have been sanctioning high value loans to Public Sector Undertakings (PSUs) by admitting them as nominal members or otherwise.

2. As you are aware, UCBs are meant primarily to meet the credit needs of the society by providing loans and advances to low/middle income groups (small borrowers), agriculture and small businesses for furthering the cause of cooperation. Grant of high value loans to PSUs is not consistent with the co-operative principles and dilutes the cooperative character of UCBs.

3. In view of the above, UCBs are advised, as a matter of principle, generally not to grant large value loans to Public Sector/Government Undertakings.

Yours faithfully,

(P K Arora)
General Manager

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बैंक हिन्दी में पत्राचार का स्वागत करता है —

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिये कोई भी व्यक्तिगत जानकारी जैसे बैंक खाते का ब्यौरा, पासवर्ड आदि नहीं माँगा जाता है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी प्रकार से जवाब मत दीजिए।
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