



भारतीय रिज़र्व बैंक#
RESERVE BANK OF INDIA
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RBI/2012-13/468

UBD.BPD.(PCB) Cir No.45 /13.05.000/2012-13

03 April 2013

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

Madam / Dear Sir,

Unsecured Exposure Norms for UCBs

Please refer to our circular No. [UBD.BPD.\(PCB\) Cir No.21/13.05.000/2010-11 dated November 15, 2010](#) on 'Maximum Limit on Unsecured Loans and Advances' prescribing that the total unsecured loans and advances granted by a UCB to its members should not exceed 10 per cent of its total assets.

2. In order to promote lending to priority sectors and to provide impetus to the objective of financial inclusion it has been decided that UCBs fulfilling the following conditions may, with the prior approval of the Reserve Bank, grant unsecured loans (with or without surety) upto 25% of their total assets:

- i) The entire loan portfolio of the bank should be covered under priority sector.
- ii) All the loans should be sanctioned as small value loans ie upto ₹ 20,000/- in a single account.
- iii) The UCB should have assessed CRAR of 9%.
- iv) The assessed gross NPAs of the UCB should be less than 10 per cent of gross advances.

शहरी बैंक विभाग, केंद्रीय कार्यालय गारमेट हाऊस, पहली मंज़िल, डॉ ए बी रोड, वरली, मुंबई- 400018 भारत
फोन=022 - 2493 9930 - 49; फक्स=022 - 2497 4030 / 2492 0231; ई मेल=cgmincubd@rbi.org.in

Urban Banks Department, Central Office, Garment House, 1 Floor, Dr.A.B.Road, Worli, Mumbai - 400018, India
Phone: 022 - 2493 9930 - 49; Fax: 022 - 2497 4030 / 2492 0231; Email: cgmincubd@rbi.org.in

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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Financial parameters for the above purposes, may be considered as on March 31 of the previous year. Assessed CRAR and gross NPAs would be as assessed by the latest inspection carried out by the Reserve Bank of India.

3. UCBs desiring to grant unsecured loans in excess of 10% of total assets, as mentioned above, may approach the Regional Office of UBD for permission.

4. Please acknowledge receipt of this circular to the Regional Office concerned.

Yours faithfully

(A. Udgata)
Chief General Manager- in – Charge