

## **Exposure Draft on Modified Off-Site Surveillance Returns**

### **Urban Banks Department Central Office**

System for Off-site surveillance (OSS) for scheduled (Primary) Urban Cooperative banks was introduced vide UBD circular BD.No.BSD.I/SCB.4/12.05.01/2000-01, April 10, 2001. In terms of the circular a set of 10 OSS returns was introduced to supplement on-site supervision of large urban cooperative banks.

It is now proposed to revise the content and structure of the OSS returns with the objective of reducing the volume of data required to be reported by the banks, while increasing the breadth and depth of information being obtained from UCBs by the department. Under the proposed system, the number of off-site surveillance returns required to be submitted by banks have been reduced from 10 to 8. Out of the eight returns, the periodicity of one return is annual and the rest seven would have to be submitted at quarterly intervals.

While the main objective of this Prudential Supervisory Reporting System (PSRS) is to obtain relevant information on areas of prudential interest. As may be seen from the proposed formats, the returns have also been designed to address the management information needs and to strengthen the MIS capabilities within the reporting institutions. Prudential concerns monitored through these returns are on aspects relating to solvency, liquidity, capital adequacy, asset quality/portfolio risk profile, concentration of exposures, and connected or related lendings of the supervised institutions.

Keeping in view these broad objectives of the PSRS comprising the eight OSS returns given in Statements 1 to 8, you are requested to peruse and offer your comments on the formats. You may please convey your suggestions and comments latest by 26th September 2003 and the final return formats would be released to all Scheduled (Primary) Urban Cooperative Banks shortly thereafter.

**Statement 1: Assets and Liabilities**

**Statement 2: Statement on Earnings**

**Statement 3: Asset Quality**

**Statement 4: Statement on Non performing advances**

**Statement 5: Statement on segment wise and sector wise advances**

**Statement 6: Connected lending**

**Statement 7: CRAR**

**Statement 8: Bank Profile**