



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2013-14/307

UBD CO BPD (PCB) Cir. No.25/09.18.200/2013-14

October 1, 2013

The Chief Executive Officer
All Urban Co-operative Banks

Dear Sir / Madam,

Share Linking to Borrowing Norm in Urban Co-operative Banks

Please refer to the instructions contained in para 3 of [circular UBD PCB Cir. No.4/ 09.18.201/2008-09 dated July 15, 2008](#) on 'Instruments for Augmenting Capital Funds – UCBs' indicating the current regulatory prescriptions on share linking to borrowing viz. 2.5% for secured borrowings and 5% for unsecured borrowings. Further, the shareholding of an individual member is restricted to 5% of the total paid up share capital of a UCB.

2. It is advised that Reserve Bank of India had taken up with all the State Governments for carrying out necessary amendments to the respective State Co-operative Societies Acts for dispensing with, wherever applicable, monetary ceilings on individual share holding and restricting the individual shareholding of a member to 5% of the total paid up share capital of a UCB. Pending amendment being carried to the State Co-operative Societies Act, it is reiterated that all UCBs may ensure scrupulous adherence to the extant norms on share linking to borrowing and ceiling on individual share holding, as detailed in para 1 above.

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

फोन: 022 - 2493 9930 - 49; फैक्स: 022 - 2497 4030 / 2492 0231; ई-मेल: cgmincubd@rbi.org.in

Urban Banks Department, Central Office, Garment House, 1st Floor, Dr. Annie Besant Road, Worli, Mumbai - 400018, India

Phone: 022 - 2493 9930 - 49; Fax: 022 - 2497 4030 / 2492 0231; E-mail: cgmincubd@rbi.org.in

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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3. UCBs, which maintain Capital to Risk Weighted Assets Ratio (CRAR) of 12% on a continuous basis, will continue to be exempted, as per the instructions contained in para 2 of [circular UBD BPD \(PCB\).Cir.No.22/09.18.201/2010-11 dated November 15, 2010](#), from the extant mandatory share linking norms.

Yours faithfully,

(P.K. Arora)
General Manager

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

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