**Diploma in Cooperative Banking**

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| **S.No.** | **RBI Notification** |
|  | Note Sorting Machines - Authentication and Fitness Sorting Parameters |
|  | Master Circular – Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) |
|  | Board approved Loan Policy – Management of Advances – UCBs |
|  | Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs) |
|  | Master Circular on Credit Facilities to Minority Communities |
|  | Reserve Bank - Integrated Ombudsman Scheme, 2021 (RBIOS, 2021) |
|  | Section 23 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) – Opening of new place of business by District Central Co-operative Banks (DCCBs) |
|  | Bilateral Netting of Qualified Financial Contracts - Amendments to Prudential Guidelines |
|  | Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents |
|  | Guidelines on Digital Lending |
|  | Master Directions on Interest Rate on Deposits |
|  | Compliance Function and Role of Chief Compliance Officer (CCO)- Urban Co-operative Banks |
|  | Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of Divergence in Asset Classification and Provisioning |
|  | Claims Received from the National Credit Guarantee Trustee Company Ltd (NCGTC) - Classification for the Purpose of Maintenance of Cash Reserve Ratio (CRR)/Statutory Liquidity Ratio (SLR) |
|  | Review of norms for classification of Urban Co-operative Banks (UCBs) as Financially Sound and Well Managed (FSWM) |
|  | Revised Regulatory Framework - Categorization of Urban Co-operative Banks (UCBs) for Regulatory Purposes |
|  | Revised Regulatory Framework for Urban Co-operative Banks (UCBs) – Net Worth and Capital Adequacy |
|  | Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures |
|  | Individual Housing loans – Revised limits under four-tiered regulatory framework |

**Note Sorting Machines - Authentication and Fitness Sorting Parameters**

RBI/2022-23/79  
DCM(NPD)No.S488/18.00.14/2022-23

July 1, 2022

The Chairman/ Managing Director/ Chief Executive Officers  
All Banks

Dear Sir/Madam

**Note Sorting Machines - Authentication and Fitness Sorting Parameters**

Please refer to our [circular DCM(R&D)No.G-26/18.00.14/2009-10 dated May 11, 2010](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=5671&Mode=0) setting out ''Note Authentication and Fitness Sorting Parameters'' for the Note Sorting Machines installed in the banks.

2. In the backdrop of introduction of the new series banknotes, these parameters have been reviewed and a revised set of guidelines are [enclosed](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12347&Mode=0#GL) for implementation.

3. The guidelines shall be implemented with immediate effect.

Yours faithfully

(Sanjeev Prakash)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12347&Mode=0>

**Master Circular – Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM)**

RBI/2022-23/92

FIDD.GSSD.CO.BC.No.09/09.01.003/2022-23

July 20, 2022

The Chairman/Managing Director & CEO  
Public Sector Banks,  
Private Sector Banks (including Small Finance Banks)

Madam/Dear Sir,

**Master Circular – Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM)**

Please refer to the [Master Circular FIDD.GSSD.CO.BC.No.04/09.01.01/2021-22 dated April 01, 2021](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12062) on Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM).

2. The enclosed [Master Circular](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12360&Mode=0#MC) consolidates and updates all the instructions/guidelines on the subject issued till date and replaces the earlier Master Circular issued on the subject.

Yours faithfully,

(Nisha Nambiar)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12360&Mode=0>

**Board approved Loan Policy – Management of Advances – UCBs**

RBI/2022-23/93  
DOR.CRE.REC.56/13.05.000/2022-23

July 26, 2022

All Primary (Urban) Co-operative Banks

Madam / Dear Sir,

**Board approved Loan Policy – Management of Advances - UCBs**

Please refer to para 1 of the [Master Circular DOR.CRE.REC.No.17/13.05.000/2022-23 dated April 8, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12288) on Management of Advances – UCBs in terms of which, UCBs are required to lay down, with the approval of their boards, transparent policies and guidelines for credit dispensation, in respect of each broad category of economic activity, keeping in view the credit exposure norms and various other guidelines issued by Reserve Bank from time to time.

2. It has been observed in several UCBs that these policies not only lack comprehensive coverage, but also do not require a periodic review. In order to ensure that the loan policy reflects approved internal risk appetite and remains in alignment with the extant regulations, it is advised that the loan policy of the bank shall be reviewed by the Board at least once in a financial year.

3. The above instructions will come into effect immediately.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12361&Mode=0>

**Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs)**

RBI/2022-2023/97  
FIDD.CO.GSSD.BC.No.10/09.09.001/2022-23

August 1, 2022

The Chairman/ Managing Director / Chief Executive Officer  
All Scheduled Commercial Banks (including Small Finance Banks)

Madam/ Dear Sir,

**Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs)**

The Reserve Bank of India has, from time to time, issued a number of guidelines/instructions to banks on credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs). The enclosed [Master Circular](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12365&Mode=0#MC1) consolidates the circulars issued by Reserve Bank on the subject till date, as listed in the [Appendix](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12365&Mode=0#AP1).

Yours faithfully,

(Nisha Nambiar)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12365&Mode=0>

**Master Circular on Credit Facilities to Minority Communities**

RBI/2022-23/99  
FIDD.GSSD.BC.No.11/09.10.001/2022-23

August 2, 2022

The Chairman/Managing Director/Chief Executive Officer  
All Scheduled Commercial Banks  
(excluding RRBs and Foreign Banks with less than 20 branches)

Madam/ Dear Sir,

**Master Circular on Credit Facilities to Minority Communities**

The Reserve Bank of India has periodically issued guidelines/instructions/directives to banks with regard to providing credit facilities to Minority Communities. The [Master Circular](https://m.rbi.org.in/scripts/BS_ViewMasCirculardetails.aspx?id=12367#MC) enclosed consolidates the circulars issued by Reserve Bank on the subject till date, as listed in the [Appendix](https://m.rbi.org.in/scripts/BS_ViewMasCirculardetails.aspx?id=12367#APP).

Yours faithfully,

(Nisha Nambiar)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/scripts/BS_ViewMasCirculardetails.aspx?id=12367>

**Reserve Bank - Integrated Ombudsman Scheme, 2021 (RBIOS, 2021)**

**EXECUTIVE DIRECTOR**

**Reserve Bank of India  
Mumbai**

**Reserve Bank - Integrated Ombudsman Scheme, 2021 (RBIOS, 2021)**

**NOTIFICATION**

Ref.CEPD.PRD.No.S544/13.01.001/2022-23

August 5, 2022

In exercise of the powers conferred by sub section (1) of Section 11 of the Credit Information Companies (Regulation) Act, 2005, and in partial modification of its [notification CEPD. PRD. No. S873/13.01.001/2021-22 dated November 12, 2021](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12192&Mode=0), the Reserve Bank of India, being satisfied that it is in public interest to do so, and to provide an avenue for cost free alternate grievance redress to customers of regulated entities covered under the RBIOS 2021 (the Scheme) for grievances against Credit Information Companies, hereby directs that the ‘Credit Information Company’ as defined in the Credit Information Companies (Regulation) Act, 2005, shall also be treated as a ‘Regulated Entity’ for the purpose of the Scheme.

2. As a result, the Scheme shall also be applicable to Credit Information Companies to the extent not specifically excluded under the Scheme.

3. The amendment in the Scheme shall come into force w.e.f. September 1, 2022.

4. An updated version of the Scheme is [annexed](https://rbidocs.rbi.org.in/rdocs/content/pdfs/RBIOS2021_amendments05082022.pdf).

(Anil Kumar Sharma)

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12371&Mode=0>

**Section 23 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) – Opening of new place of business by District Central Co-operative Banks (DCCBs)**

RBI/2022-23/106  
DOR.REG.No.63/19.51.052/2022-23

August 11, 2022

All District Central Co-operative Banks

Madam/Sir,

**Section 23 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) – Opening of new place of business by District Central Co-operative Banks (DCCBs)**

Pursuant to the amendment to the Banking Regulation Act (No.39 of 2020) dated September 29, 2020, District Central Co-operative Banks (DCCBs) are permitted to open new place of business/install ATMs or shift the location of such offices only after obtaining prior approval of the Reserve Bank of India (RBI). Accordingly, it has been decided to issue guidelines with details of the criteria and procedure for submission of application by DCCBs for opening new place of business/installation of ATMs.

2. The criteria for opening of branches/extension counters/specialized branches/regional offices/zonal offices/administrative offices/shifting of branches/upgradation of extension counters into full-fledged branches by a DCCB are as follows:

1. A licensed DCCB should have completed at least three years of operation
2. CRAR not being less than 9 per cent
3. No default in maintenance of CRR/SLR during the preceding financial year
4. Net NPA being less than 5 per cent
5. The bank should have made a net profit during the preceding two financial years
6. The bank should have a good track record of regulatory compliance and no monetary penalty should have been imposed on the bank for violation of Reserve Bank of India directives/guidelines during last two financial years
7. The bank should not have been placed under any specific direction issued by Reserve Bank of India during the preceding two financial years

The above parameters will be considered as they appear in the latest inspection report of NABARD.

Yours faithfully,

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12375&Mode=0>

**Bilateral Netting of Qualified Financial Contracts - Amendments to Prudential Guidelines**

RBI/2022-23/107  
DOR.MRG.REC.64/00-00-005/2022-23

August 11, 2022

Dear Sir / Madam,

**Bilateral Netting of Qualified Financial Contracts - Amendments to Prudential Guidelines**

Please refer to the [circular DOR.CAP.51/21.06.201/2020-21 dated March 30, 2021](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12048&Mode=0) and [circular DOR.CAP.REC.No.97/21.06.201/2021-22 dated March 31, 2022](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12262&Mode=0) on the captioned subject.

2. At present, while computing capital requirements for counterparty credit risk, the following exposures, wherever allowed to be undertaken, are exempted or capped:

1. foreign exchange (except gold) contracts which have an original maturity of 14 calendar days or less are excluded from capital requirements for counterparty credit risk.
2. ‘sold options’, provided the entire premium / fee or any other form of income is received / realised, are excluded from capital requirements for counterparty credit risk.
3. For Credit Default Swap transaction where bank is protection seller, the exposure is capped at the amount of premium unpaid by the protection buyer.

3. We have received queries from regulated entities (REs) regarding the applicability of the above exemptions / caps under the Bilateral Netting framework. In this connection, it is clarified that:

1. the exemption for foreign exchange (except gold) contracts which have an original maturity of 14 calendar days or less shall be applicable to entities calculating the counterparty credit risk under Original Exposure Method without taking the benefit of bilateral netting. Accordingly, the exemption would be applicable only to Regional Rural Banks, Local Area Banks and Co-operative Banks, where the bank has not adopted the bilateral netting framework. For other entities, the exemption shall stand withdrawn.
2. ‘sold options’, provided the entire premium / fee or any other form of income is received / realised, can be excluded only when such ‘sold options’ are outside the netting and margin agreements.
3. For Credit Default Swaps where the bank is the protection seller and that are outside netting and margin agreements, the exposure may be capped to the amount of premium unpaid. Banks have the option to remove such credit derivatives from their legal netting sets in order to apply the cap.

Yours faithfully,  
(Usha Janakiraman)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12376&Mode=0>

**Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents**

RBI/2022-23/108  
DOR.ORG.REC.65/21.04.158/2022-23

August 12, 2022

Madam/ Sir,

**Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents**

The Reserve Bank of India has from time to time advised regulated entities (REs) that the ultimate responsibility for their outsourced activities vests with them and they are, therefore, responsible for the actions of their service providers including Recovery Agents (hereafter referred to as ‘agents’).

2. It has been observed that the agents employed by REs have been deviating from the extant instructions governing the outsourcing of financial services. In view of concerns arising from the activities of these agents, it is advised that the REs shall strictly ensure that they or their agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends, sending inappropriate messages either on mobile or through social media, making threatening and/ or anonymous calls, persistently[1](https://rbi.org.in/scripts/FS_Notification.aspx?Id=12378&fn=2&Mode=0#F1) calling the borrower and/ or calling the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc.

3. The instructions contained in para 2 above shall supplement and be read in conjunction with the existing guidelines/directions issued by the Reserve Bank of India, as amended from time to time, including those tabulated in [Annex](https://rbi.org.in/scripts/FS_Notification.aspx?Id=12378&fn=2&Mode=0#AN).

4. Any violation in this regard by REs will be viewed seriously.

**Applicability**

5. This circular shall apply to the following REs:

1. All Commercial Banks (including Local Area Banks, Regional Rural Banks, and Small Finance Banks) excluding Payments Banks;
2. All All-India Financial Institutions (viz. Exim Bank, NABARD, NHB, SIDBI, and NaBFID);
3. All Non-Banking Financial Companies including Housing Finance Companies;
4. All Primary (Urban) Co-operative Banks, State Co-operative Banks, and District Central Co-operative Banks; and
5. All Asset Reconstruction Companies.

6. This circular shall not apply to microfinance loans covered under [‘Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022’, dated March 14, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12256).

Yours faithfully,

(Sunil T. S. Nair)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/scripts/FS_Notification.aspx?Id=12378&fn=2&Mode=0#:~:text=The%20Reserve%20Bank%20of%20India,to%20as%20'agents>').

**Guidelines on Digital Lending**

RBI/2022-23/111  
DOR.CRE.REC.66/21.07.001/2022-23

September 02, 2022

All Commercial Banks,  
Primary (Urban) Co-operative Banks, State Co-operative Banks,  
District Central Co-operative Banks; and  
Non-Banking Financial Companies (including Housing Finance Companies)

Madam/ Sir,

**Guidelines on Digital Lending**

A reference is invited to para 7 of the [RBI Press Release “Recommendations of the Working Group on Digital Lending – Implementation” dated August 10, 2022](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54187). Detailed guidelines on recommendations of the Working Group accepted for immediate implementation are attached as [Annex I](https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12382#AN1) to this circular.

2. It is reiterated that outsourcing arrangements entered by Regulated Entities (REs) with a Lending Service Provider (LSP)/ Digital Lending App (DLA) does not diminish the REs’ obligations and they shall continue to conform to the extant guidelines on outsourcing[1](https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12382#F1). The REs are advised to ensure that the LSPs engaged by them and the DLAs (either of the RE or of the LSP engaged by the RE) comply with the guidelines contained in this circular.

3. It is further advised that the instructions contained in this circular shall be applicable to the ‘existing customers availing fresh loans’ and to ‘new customers getting onboarded’, from the date of this circular. However, in order to ensure a smooth transition, REs shall be given time till November 30, 2022, to put in place adequate systems and processes to ensure that ‘existing digital loans’ (sanctioned as on the date of the circular) are also in compliance with these guidelines in both letter and spirit.

4. These directions are issued under sections 21, 35A and 56 of the Banking Regulation Act, 1949, sections 45JA, 45L and 45M of the Reserve Bank of India Act, 1934, sections 30A and 32 of the National Housing Bank Act, 1987, section 6 of the Factoring Regulation Act, 2011 and section 11 of the Credit Information Companies (Regulation) Act, 2005.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12382>

**Master Directions on Interest Rate on Deposits**

RBI/2022-2023/117  
DOR.SOG (SPE).REC.No 68/13.03.00/2022-23

September 16, 2022

All Scheduled Commercial Banks (including Regional Rural Banks)  
All Small Finance Banks  
All Payment Banks  
All Local Area Banks  
All Primary (Urban) Co-operative Banks/ DCCBs /State Cooperative Banks

Sir / Madam,

**Master Directions on Interest Rate on Deposits**

Please refer to the instructions on the Foreign Currency (Non-resident) Accounts (Banks) Scheme contained in Section 19 (h) of the [Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016 dated March 03, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10296) and Section 18 (h) of the [Master Direction – Reserve Bank of India (Co-operative Banks – Interest Rate on Deposits) Directions, 2016 dated May 12, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10394) in terms of which, reference rates for arriving at the interest rates on FCNR (B) deposits shall be quoted / displayed by Foreign Exchange Dealers Association of India (FEDAI).

2. In terms of the guidance provided by RBI, the reference rates mentioned above are being quoted / displayed by Financial Benchmarks India Pvt. Ltd. (FBIL) with effect from January 31, 2022. In this regard, the relevant sections of both the Master Directions on Interest Rate on Deposits have been suitably modified.

3. Further, the instructions regarding eligibility for opening of savings account contained in Section 28 (h) and Section 27 (h) of the above-mentioned [Master Directions (MDs) dated March 03, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10296) and [May 12, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10394), respectively, and item No. 6 in Schedule I of the two MDs have been modified to make them more explicit.

4. The relevant sections of the Master Directions as amended are indicated in the [Annex](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12388&Mode=0#A_N).

5. All other instructions in this regard shall remain unchanged.

Yours faithfully,

(Santosh Kumar Panigrahy)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12388&Mode=0>

**Compliance Function and Role of Chief Compliance Officer (CCO)- Urban Co-operative Banks**

RBI/2022-2023/118  
Ref.No.DoS.CO.PPG/SEC.04/11.01.005/2022-23

September 19, 2022

The Chairman / Managing Director / Chief Executive Officer  
All Primary (Urban) Co-operative Banks (UCBs)

Madam / Dear Sir,

**Compliance Function and Role of Chief Compliance Officer (CCO)-  
Urban Co-operative Banks**

As part of the overall structure for Corporate Governance, the Compliance Function serves a critical role. Therefore, it has been decided to introduce certain principles, standards and procedures for Compliance Function in UCBs, keeping in view the principles of proportionality. Accordingly, this Circular shall be applicable to all UCBs under Tier 3 and Tier 4 categories[1](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12389&Mode=0#FN1) except UCBs under All Inclusive Directions (AID)[2](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12389&Mode=0#FN2). UCBs under Tier 1 and Tier 2 categories shall continue to be governed under the existing guidelines[3](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12389&Mode=0#FN3).

2. The UCBs under Tier 4 category shall put in place a Board-approved policy and a Compliance Function, including the appointment of a Chief Compliance Officer (CCO), based on the Framework given in the [Annex](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12389&Mode=0#AN), latest by April 1, 2023. The UCBs under Tier 3 category shall implement the same latest by October 1, 2023.

3. This Circular shall be placed in the immediate next meeting of the Board of Directors for information and devising an implementation strategy, under the Board’s supervision, in a time-bound manner.

Yours faithfully,

(Tarun Singh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12389&Mode=0>

**Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of Divergence in Asset Classification and Provisioning**

RBI/2022-23/130  
DOR.ACC.REC.No.74/21.04.018/2022-23

October 11, 2022

Madam / Dear Sir,

**Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of Divergence in Asset Classification and Provisioning**

In terms of paragraph C.4(e) of Annexure III to the [Reserve Bank of India (Financial Statements-Presentation and Disclosures) Directions, 2021](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12158), commercial banks (excluding Regional Rural Banks (RRBs)) are required to disclose details of divergence in asset classification and provisioning where such divergence assessed by the Reserve Bank of India (RBI) exceeds certain specified thresholds. In order to strengthen compliance with income recognition, asset classification and provisioning norms, it has now been decided to introduce similar disclosure requirements for Primary (Urban) Co-operative Banks (UCBs) and revise the specified thresholds for commercial banks.

2. Accordingly, for the financial statements for the year ending March 31, 2023, banks shall make suitable disclosures in the manner specified in paragraph C.4(e) of Annex III to the afore-mentioned Directions, if either or both of the following conditions are satisfied:

1. the additional provisioning for non-performing assets (NPAs) assessed by the RBI exceeds 10 per cent of the reported profit before provisions and contingencies[1](https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12401&fn=2&Mode=0#F1) for the reference period; and
2. the additional Gross NPAs identified by the RBI exceed 10 per cent of the reported[2](https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12401&fn=2&Mode=0#F2) incremental Gross NPAs for the reference period.

Provided further that in the case of UCBs the threshold for reported incremental Gross NPAs specified in paragraph 2(b) above shall be 15 per cent, which shall be reduced progressively in a phased manner, after review.

3. The thresholds specified in paragraph (2) above shall be revised for disclosures in annual financial statements for the year ending March 31, 2024, and onwards, as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Ref.** | **Threshold linked to:** | **Commercial Banks (%)** | **UCBs (%)** |
| 2(a) | Reported profit before provisions and contingencies | 5 | 5 |
| 2(b) | Reported incremental Gross NPA | 5 | 15\* |
| \*May be reduced subject to review | | | |

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12401&fn=2&Mode=0#:~:text=4(e)%20of%20Annexure%20III,by%20the%20Reserve%20Bank%20of>

**Claims Received from the National Credit Guarantee Trustee Company Ltd (NCGTC) - Classification for the Purpose of Maintenance of Cash Reserve Ratio (CRR)/Statutory Liquidity Ratio (SLR)**

RBI/2022-23/132  
DOR.RET.REC.79/12.01.001/2022-23

October 13, 2022

All Scheduled Commercial Banks (including Regional Rural Banks)  
Local Area Banks, Small Finance Banks, Payments Banks  
Primary (Urban) Co-operative Banks (UCBs)  
State and Central Co-operative Banks (StCBs/CCBs)

Madam/Dear Sir,

**Claims Received from the National Credit Guarantee Trustee Company Ltd (NCGTC) - Classification for the Purpose of Maintenance of Cash Reserve Ratio (CRR)/Statutory Liquidity Ratio (SLR)**

Please refer to para 9 (Liabilities not to be included for NDTL computation) of [Master Direction on CRR/SLR – 2021 dated July 20, 2021, as amended on April 06, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12131).

2. In this connection, it has been decided that the amounts received by a bank from the National Credit Guarantee Trustee Company Ltd towards claims in respect of guarantees invoked and held by them pending adjustment of the same towards the relative advances, need not be treated as outside liabilities for the purpose of computation of NDTL for CRR and SLR.

3. Accordingly, para 9 of the Master Direction on CRR/SLR – 2021 will henceforth include “Amount received by the eligible banks from National Credit Guarantee Trustee Company Limited (NCGTC) by invoking the guarantee towards claims and pending adjustments thereof”.

Yours faithfully

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12403&fn=2&Mode=0>

**Review of norms for classification of Urban Co-operative Banks (UCBs) as Financially Sound and Well Managed (FSWM)**

RBI/2022-23/143  
DOR.REG.No.85/07.01.000/2022-23

December 01, 2022

Madam / Sir

**Review of norms for classification of Urban Co-operative Banks (UCBs) as Financially Sound and Well Managed (FSWM)**

In order to ensure a financially sound and stable co-operative sector, select UCBs are termed as Financially Sound and Well Managed (FSWM) subject to fulfillment of certain parameters. In this context, a reference is made to our [circular DCBR.CO.LS (PCB) Cir.No.4/07.01.000/2014-15 dated January 28, 2015](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=9526&Mode=0) on “Review of norms for classification of Urban Co-operative Banks (UCBs) as Financially Sound and Well Managed (FSWM)” for criteria prescribed for considering the UCBs as FSWM.

2. It has been decided to revise the criteria for UCBs to be classified as FSWM. The revised criteria in view of [Revised Regulatory Framework for Urban Co-operative Banks (UCBs) released by RBI on July 19, 2022](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54059) based on the recommendation of the [Expert Committee on Primary (Urban) Co-operative Banks](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52094) are given in the [Annex](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12415&Mode=0#AN1).

3. Further, the UCBs are now permitted to classify themselves as FSWM based on this revised FSWM criteria.

**Commencement**

4. The revised instructions shall be applicable with immediate effect.

**Applicability**

5. This circular is applicable to all Primary (Urban) Co-operative Banks.

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12415&Mode=0>

**Revised Regulatory Framework - Categorization of Urban Co-operative Banks (UCBs) for Regulatory Purposes**

RBI/2022-23/144  
DOR.REG.No.84/07.01.000/2022-23

December 01, 2022

Madam / Sir

**Revised Regulatory Framework - Categorization of Urban Co-operative Banks (UCBs) for Regulatory Purposes**

Given the heterogeneity in the cooperative sector, a tiered regulatory framework is required to balance the spirit of mutuality and co-operation more prevalent in banks of smaller sizes and those with limited area of operation vis-à-vis the growth ambitions of the large-sized UCBs to spread their area of operation and undertake more complex business activities.

2. The Reserve Bank of India had constituted the [Expert Committee on Urban Co-operative Banks](https://m.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52094) to examine the issues in urban cooperative banking sector and to review regulatory/ supervisory approach for strengthening the sector. Based on the recommendations of the Expert Committee, RBI had released the [Revised Regulatory Framework for Urban Co-operative Banks (UCBs) on July 19, 2022](https://m.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54059).

3. Accordingly, it has been decided to adopt a four-tiered regulatory framework, as against the existing two-tiered framework, for categorization of UCBs. Going forward, this categorization may be used for differentiated regulatory prescriptions aimed at strengthening the financial soundness of the UCBs.

4. The categorization of UCBs, based on their deposit size, is enclosed in [Annex](https://m.rbi.org.in/scripts/FS_Notification.aspx?Id=12416&fn=2755&Mode=0#AN1).

**Commencement**

5. The instructions shall be applicable with immediate effect.

**Applicability**

6. This circular is applicable to all Primary (Urban) Co-operative Banks.

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/scripts/FS_Notification.aspx?Id=12416&fn=2755&Mode=0>

**Revised Regulatory Framework for Urban Co-operative Banks (UCBs) – Net Worth and Capital Adequacy**

RBI/2022-23/146  
DOR.CAP.REC.No.86/09.18.201/2022-23

December 1, 2022

Dear Sir/Madam,

**Revised Regulatory Framework for Urban Co-operative Banks (UCBs) – Net Worth and Capital Adequacy**

Please refer to the Revised Regulatory Framework for Urban Co-operative Banks (UCBs) emanating from the recommendations of Expert Committee on Urban Co-operative Banks ([Press Release: 2022-2023/561 dated July 19, 2022](https://m.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54059)) and [circular no. DOR.REG.No.84/07.01.000/2022-23 dated December 1, 2022](https://m.rbi.org.in/Scripts/NotificationUser.aspx?Id=12416&Mode=0), on Revised Regulatory Framework - Categorization of Urban Co-operative Banks (UCBs) for Regulatory Purposes. The detailed guidelines are provided below:

**A. Net Worth**

2. UCBs shall have minimum net worth as under:

* Tier 1 UCBs operating in a single district shall have minimum net worth of ₹2 crore.
* All other UCBs (of all tiers) shall have minimum net worth of ₹5 crore.
* UCBs which currently do not meet the minimum net worth requirement, as above, shall achieve the minimum net worth of ₹2 crore or ₹5 crore (as applicable) in a phased manner. Such UCBs shall achieve at least 50 per cent of the applicable minimum net worth on or before March 31, 2026 and the entire stipulated minimum net worth on or before March 31, 2028.

**B. Minimum capital to risk weighted assets ratio (CRAR) requirement**

3. UCBs shall maintain minimum CRAR as under:

* Tier 1 UCBs shall maintain, as hitherto, a minimum CRAR of 9 per cent of Risk Weighted Assets (RWAs) on an ongoing basis.
* Tier 2 to 4 UCBs shall maintain a minimum CRAR of 12 per cent of RWAs on an ongoing basis.
* UCBs in Tier 2 to 4, which do not currently meet the revised CRAR of 12 per cent of RWAs, shall achieve the same in a phased manner. Such UCBs shall achieve the CRAR of at least 10 per cent by March 31, 2024, 11 per cent by March 31, 2025, and 12 per cent by March 31, 2026.

**C. Revaluation Reserves**

5. Revaluation reserves, arising out of change in the carrying amount of a bank’s property consequent upon its revaluation, may henceforth be reckoned as Tier 1 capital at a discount of 55 per cent.

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/scripts/FS_Notification.aspx?Id=12418&fn=2755&Mode=0#:~:text=UCBs%20shall%20have%20minimum%20net,worth%20of%20%E2%82%B95%20crore>.

**Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures**

RBI/2022-23/154  
DoR.FIN.REC.90/20.16.056/2022-23

December 13, 2022

All Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks)  
All Primary (Urban) Co-operative Banks/State Co-operative Banks/District Central Co-operative Banks  
All-India Financial Institutions (Exim Bank, NABARD, NHB, SIDBI and NaBFID)  
All Non-Banking Financial Companies (including Housing Finance Companies)  
All Credit Information Companies

Madam/Dear Sir,

**Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures**

Please refer to the [circular DBOD.No.CID.BC.127/20.16.056/2013-14 dated June 27, 2014](https://m.rbi.org.in/Scripts/NotificationUser.aspx?Id=8968&Mode=0), inter alia setting out a Uniform Credit Reporting Format for reporting credit information to the Credit Information Companies (CICs).

2. It is clarified that cases admitted with National Company Law Tribunal (NCLT)/National Company Law Appellate Tribunal (NCLAT) under the Insolvency and Bankruptcy Code, 2016 are also required to be reported under the suit-filed cases in reporting to the CICs.

3. Credit Institutions (CIs) shall ensure implementation of this circular latest by February 28, 2023.

Yours faithfully

(J.P. Sharma)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=12425>

**Individual Housing loans – Revised limits under four-tiered regulatory framework**

RBI/2022-23/159  
DOR.CRE.REC.92/07.10.002/2022-23

December 30, 2022

All Primary (Urban) Co-operative Banks,

Madam / Dear Sir,

**Individual Housing loans – Revised limits under four-tiered regulatory framework**

Please refer to [circular DOR.REG.No.84/07.01.000/2022-23 dated December 1, 2022](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12416&Mode=0), in terms of which UCBs have been categorised into four tiers for regulatory purposes.

2. In terms of the [circular DOR.CRE.REC.42/09.22.010/2022-23 dated June 8, 2022](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12336&Mode=0), ceilings on housing loans to individuals are prescribed as ₹60 lakh for Tier-I UCBs and ₹140 lakh for Tier-II UCBs. Consequent upon classification of UCBs into four tiers under the revised regulatory framework, it has been decided to specify the limits on housing loans sanctioned by UCBs to an individual borrower as ₹60 lakh for Tier-1 UCBs and ₹140 lakh for UCBs categorised in Tier-2 to 4. Other terms and conditions of the circular ibid, remain unchanged.

3. The limits prescribed under this circular are effective from the date of this circular. However, existing housing loans sanctioned prior to the date of this circular, which may be in breach of the ceiling, will be allowed to run off till maturity.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12432#:~:text=010%2F2022%2D23%20dated%20June,lakh%20for%20Tier%2DII%20UCBs>.