



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2015-16/438

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June 30, 2016

Chief Executive Officers of all
Primary (Urban) Co-operative Banks

Dear Sir / Madam,

Issue of authorization for opening Controlling Offices (Regional /Zonal/ Administrative Offices) u/s 23 of the Banking Regulation Act, 1949 (AACS)

As you are aware, licence under section 23 of the BR Act, 1949 (AACS) is required for opening Controlling Offices (Regional/Zonal/Administrative Office) in terms of instructions contained in our circular UBD.RBL.33/J-86-87 dated October 15, 1986.

2. The matter was revisited in the light of requests received from UCBs for setting up Controlling Offices (Regional/Zonal/Administrative Offices) and it has been decided that licensed UCBs which have implemented CBS and are fulfilling the following criteria may, at their discretion, open one controlling office for a cluster of not less than 40 branches without prior approval of RBI:

- i. CRAR is not less than 10 per cent.
- ii. Gross NPAs are less than 7 % and Net NPAs are not more than 3%.
- iii. The bank should have made a net profit in the immediate preceding financial year and overall, should have made net profit at least in three out of the preceding four financial years.
- iv. It should not have defaulted in maintenance of CRR / SLR during the immediate preceding financial year.
- v. It should have sound internal control systems with at least two professional directors on the Board.
- vi. The bank should have a track record of regulatory compliance and no monetary penalty should have been imposed on the bank for violation of RBI directives / guidelines during the two financial years, preceding the year in which the controlling office is proposed to be opened.

सहकारी बैंक विनियमन विभाग, केंद्रीय कार्यालय, सी- 7, पहली/ दूसरी मंजिल, बांद्रा कुर्ला संकुल, बांद्रा (पूर्व), मुंबई - 400 051
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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।

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.



3. UCBs must ensure that the controlling office is opened within their Area of Operation (as approved by RBI) and should not have any direct interface / business transactions with customers. Furthermore, eligible UCBs are required to submit full details regarding opening of such offices, within two weeks to the Regional Office concerned for issue of licence u/s 23 of the Act *ibid*.

Yours faithfully,

(Suma Varma)
Principal Chief General Manager