



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2008-09/470

UBD.PCB.Cir.No. 65 /09.16.900/2008-09

May 06, 2009

The Chief Executive Officer
Primary (Urban) Cooperative Banks

Dear Sir / Madam

Financial restructuring of Urban Cooperative Banks

Please refer to our circular [UBD.PCB.Cir.No. 39 /09.16.900/2008-09](#) dated January 23, 2009 on the captioned subject. It was prescribed vide Para 3 (vii) therein that post-restructuring, the management of the bank should be in the hands of a Board of Administrators consisting of representatives of individual depositors as well as professional bankers to ensure proper implementation of the reconstruction scheme including recovery of NPAs.

2. The matter has been reviewed and it has been decided to dispense with the above prerequisite while considering financial restructuring proposals of UCBs. Accordingly, management aspects will be considered on a case to case basis while considering the financial restructuring proposals of UCBs.

3. Please acknowledge receipt to the Regional Office concerned.

Yours faithfully

(A.K. Khound)
Chief General Manager-in-Charge