



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

RBI/2010-11/521

UBD.BPD.(PCB)CIR No.46 /09.09.001/2010-11

May 11, 2011

The Chief Executive Officers
All Primary (Urban) Co-operative Banks

Madam / Dear Sir,

Limit of Housing Loans Under Priority Sector Advances - UCBs

Please refer to our [Circular UBD.PCB.Cir.No.11/09.09.01/2007-08 dated August 30, 2007](#) forwarding therewith the guidelines for UCBs on lending to priority sector. In terms of item (vi) under 'Categories of Priority Sector' and also para 7.1 of section I of Annex of the above Circular, loans up to Rs.20 lakh irrespective of location, to individuals for purchase / construction of dwelling unit per family, excluding loans granted by banks to their own employees are eligible for classification under priority sector.

2. Pursuant to the announcements made by Union Finance Minister in paragraph 44 of the Budget Speech for the year 2011-12, it has been decided to increase the above limit from Rs.20 lakh to Rs.25 lakh. The change will be applicable to housing loans sanctioned on or after April 1, 2011.

Yours faithfully

(Uma Shankar)
Chief General Manager