

RBI/2004/52

Ref.UBD No.BPD.PCB Cir. 33/09.11.00/2003-04

February 11, 2004

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

Dear Sir/Madam,

Maintenance of CSGL accounts.

As per the extant instructions, urban co-operative banks are not allowed to open and maintain Constituent Subsidiary General Ledger (CSGL) Accounts of other Urban Co-operative Banks (UCBs). It has, however, come to our attention that despite specific instructions, some banks continue to maintain CSGL account of other UCBs.

2. All the UCBs, which are holding CSGL accounts of other UCBs are once again advised to close such accounts and report compliance to the concerned Regional Office forthwith. UCBs may transfer their CSGL accounts to other public sector banks, scheduled commercial banks, Primary Dealers, State Co-operative Banks, Depositories and Stock Holding Corporation of India Ltd. which are authorized to maintain CSGL accounts, as advised in our Circular No. UBD.BR. No. 6/16.26.00/2000-01 dated August 9, 2001. UCBs are advised to strictly comply with the above instructions.

3. Please acknowledge receipt of this circular to our Regional Office.

Yours faithfully,

Sd/-

(S. Karuppasamy)

Chief General Manager-in-Charge