



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

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**Draft – Urban Co-operative Banks - Relief Measures in areas affected by  
Natural Calamities**

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## Introduction

In exercise of powers conferred by Sections 21 and 35A read with Section 56, of the Banking Regulation Act, 1949, the Reserve Bank of India (Reserve Bank) being satisfied that it is necessary and expedient in the public interest so to do, hereby issues these guidelines hereinafter specified.

### Chapter I: Preliminary

#### A. Short title and commencement

1. These guidelines shall be called the **Urban Co-operative Banks - Relief Measures in areas affected by Natural Calamities**.
2. These guidelines shall come into force with effect from April 01, 2026.

#### B. Applicability

3. These guidelines shall be applicable to Urban Co-operative Banks (hereinafter collectively referred to as 'banks' and individually as a 'bank').
4. These guidelines shall be applicable to resolution of exposures of borrowers impacted by a natural calamity or, *mutatis mutandis*, exposures of borrowers impacted by external events (such as riots/ disturbances that result in loss to economic activity).
5. For the purpose of resolution under these Directions, banks shall be guided by the principles enshrined in [Reserve Bank of India \(Commercial Banks – Resolution of Stressed Assets\) Directions, 2025](#) dated November 28, 2025.

#### C. Definitions

6. In these guidelines, unless the context states otherwise, the terms herein shall bear the meaning assigned to them below:
  - (1) 'exposure' shall include all funded and non-funded exposures (including underwriting and similar commitments).
  - (2) 'natural calamity' shall mean an event recognised under the National Disaster Response Force (NDRF) Framework.

- (3) '*date of invocation*' shall mean the date on which the borrower and the bank agree to proceed with a resolution plan under this framework through a documented arrangement.
7. All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Banking Regulation Act, 1949 or the Reserve Bank of India Act, 1934, or any statutory modification or re-enactment thereto or other regulations issued by the Reserve Bank or the [Glossary](#) of Terms published by the Reserve Bank or as used in commercial parlance, as the case may be.

## **Chapter II. General Instructions**

### **D. Declaration of Natural Calamity**

8. These Directions shall come into effect upon the declaration, by Central/ State Governments (in accordance with the framework placed by the concerned Government for this purpose), of a natural calamity or other external events.
9. The decisions taken in the special SLBC / DCC shall be communicated to the banks by the convenor of the respective SLBC / DCC.
10. The decisions taken in the special SLBC/DCC meeting(s) shall be given adequate publicity by banks through various methods such as brochures, banners, advertisement in newspapers, visits by field staff, and other suitable modes, for the benefit of affected borrowers.

### **E. Policy / Procedures for dealing with Natural Calamities**

11. Credit assessments carried out by a bank shall suitably factor in the possible impact of natural calamities on borrowers who may be impacted by such events. The credit policy of the bank shall incorporate provisions for resolution as provided for under these Directions, including the objective principles for the terms of relief to be granted to various borrower / loan categories.
12. The credit policy shall specify the potential relief measures and the verifiable parameters for making such determination.

13. The credit policy shall also lay down the delegation matrix for deciding and implementing relief measures (if any), including for restructuring, sanction of additional finance etc., with focus on the timely implementation of relief measures.
14. In the case of other external events, upon declaration of such events by the Government concerned, the bank shall adopt similar procedure as stated above, for providing relief to the affected borrowers.

#### **F. Eligibility & Coverage**

15. Only those borrowers shall be eligible for resolution under these guidelines whose accounts are classified as 'Standard', and also not in default for more than 30 days with a bank in respect of any of their credit facilities, as on the date of occurrence of the natural calamity.
16. Borrowers, whose loan accounts do not fulfil the required eligibility conditions for resolution under these Directions may continue to be considered for resolution under the [Reserve Bank of India \(Urban Cooperative Banks– Resolution of Stressed Assets\) Directions, 2025](#) dated November 28, 2025.
17. The provisions of these Directions shall not apply to the refinance portfolio of a bank.

#### **Chapter III:Resolution Plan**

18. The resolution plan to be implemented by a bank, conforming to these Directions, may include rescheduling of payments; conversion of any interest accrued or to be accrued into another credit facility; granting of moratorium etc. based on an assessment of the viability prospects of the borrower.
19. The resolution plan may also include proposal for sanctioning of additional finance to address the financial stress of the borrower, subject to due assessment of the viability prospects of the borrower.
20. Resolution under these guidelines shall be invoked no later than 45 days (unless an extension has been granted by the Regional Director / Officer-in-Charge of Reserve Bank) from the date of the declaration of natural calamity and shall be implemented within 90 days from the date of the invocation.

#### **Chapter IV: Asset Classification**

21. If a resolution plan is implemented in adherence to the provisions of these Directions, borrower accounts which are classified as 'Standard' may be retained as such upon implementation. Borrower accounts which may have slipped into non-performing asset (NPA) between the date of occurrence of the natural calamity and implementation of the resolution plan, shall be upgraded as 'Standard', upon implementation of the resolution plan.
22. After implementation of the resolution plan in terms of these Directions, the subsequent asset classification shall be governed by the criteria laid out in the [Reserve Bank of India \(Urban Co-operative Banks-Income Recognition, Asset Classification and Provisioning\) Directions, dated November 28, 2025.](#)

#### **Chapter V: Income recognition and Provisioning**

23. Interest income recognition in respect of such borrower accounts shall be on accrual basis. However, a bank shall make an additional specific provision of five percent of the outstanding debt against such borrower accounts. The additional specific provisions shall be over and above the applicable prudential provisions subject to a ceiling of hundred per cent.

#### **Chapter VI: Repeated restructuring**

24. Accounts which are restructured under paragraph 18, where a subsequent restructuring is necessitated under these Directions before reversal of additional specific provisions as specified at paragraphs 25 and 26, shall continue to be classified as 'Standard', subject to the following conditions:
  - (1) Interest income shall be recognized on cash basis from the second restructuring onwards.
  - (2) Additional specific provisioning of five per cent on the outstanding debt shall be made for each instance of restructuring made under this framework. This provisioning shall be over and above the applicable prudential provisions subject to a ceiling of hundred per cent.

## **Chapter VII: Reversal of Provisions**

25. The additional specific provisions so maintained upon restructuring may be written back upon the borrower paying at least 20% of the outstanding debt with the bank, without slipping into NPA post implementation of the restructuring, and without being subjected to another restructuring.
26. If the outstanding debt post-restructuring is only in the form of non-fund-based facilities or facilities in the nature of cash credit/ overdraft, the additional provisions can be reversed after one year, post implementation of the restructuring, provided the borrower was not in default at any point of time during the period concerned.

## **Chapter VIII: Ancillary Measures**

27. While restructuring various types of loans in an area affected by a natural calamity, banks may also take into account the insurance proceeds, if any, receivable from insurance companies in respect of those loans. The insurance proceeds upon receipt shall be adjusted towards the 'restructured accounts' in cases where fresh loans have been granted to the borrower. However, a bank may consider restructuring and sanctioning fresh loans without waiting for the actual receipt of the claim.
28. Interest Subvention / Prompt Repayment Incentive benefits as notified by the Government from time to time shall be made available to the eligible categories of without any exception.
29. While extending the relief measures under these guidelines, a bank shall ensure that the relief measures already provided/ being provided by Gol / States are duly factored in.
30. For agricultural loans, where land is taken as security, certificate issued by the Revenue Department officials, in the absence of original title record, shall be accepted for financing to farmers who have lost proof of their title such as title deed or registration certificate issued to registered share-croppers. In the areas covered by the Sixth Schedule of the Constitution, whereby the land is owned by the community, certificate issued by community authorities shall be accepted.

31. Persons displaced or adversely affected by a natural calamity may not have access to their identification and personal records. In such cases, small accounts as stipulated in the [Reserve Bank of India \(Urban Co-operative Banks– Know Your Customer\) Directions, 2025](#), may be opened by banks.

**G. Providing access to Banking Services**

32. A bank may operate their natural calamity affected branches from temporary premises under advice to the concerned Regional Office of RBI. For continuing the temporary premise beyond 30 days, banks may obtain specific approval from the concerned Regional Office of RBI. A bank shall also make arrangements to render banking services in the affected areas by setting up satellite offices, extension counters or mobile banking facilities etc. under intimation to RBI.
33. A bank shall take immediate action for restoration of ATM services at the earliest. During the period, it shall provide alternative arrangements to address the immediate cash requirements of the affected areas.
34. A bank at its discretion, may provide further relief measures such as waiver / reduction of various fees and charges in respect of customers in the affected areas, for a period not exceeding one year.

**Chapter IX: Reporting Requirements**

35. Banks shall upload the data on relief measures as per the format given in [Annex](#) on a half-yearly basis within 30 days from the end of the half-year (September 30th and March 31st of every year) on the CIMS portal.
36. In case no relief measures are extended, a 'NIL' statement shall be uploaded by the bank.

# Annex

Data Reporting Format																	
Type of Regulated Entity (RE)																	
Data on Relief measures extended by REs on account of natural calamities- OVERALL																	
For Half Year ended			a				Return has to be submitted in Actuals only										
Sl. No.	Name of the State	Name of the District	Date of notification of natural calamity	Type of Natural Calamity	Date (s) of Special SLBC/DCC	Sector	Outstanding eligible for reschedulement/ restructuring as on the date of notification of natural calamity		Credit facilities restructured/rescheduled during the half year		% achievement of rescheduled/restructured to eligible for rescheduling/ restructuring		Out of 9 & 10, Credit facilities that are restructured/rescheduled for the second or third or n <sup>th</sup> time during the half year		Additional/fresh loans provided to affected borrowers during the half year		Remarks (indicating State-specific issues, details regarding natural calamity etc.)
							No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs (9/7)	Amt. (10/8)	No. of A/cs	Amt.	No. of A/cs	Amt.	
1	2	3	4	5	6		7	8	9	10	11	12	13	14	15	16	17
1	State Name(Drop down from CISBI master)	District Name(Drop down selection from CISBI master)	Date	(Type to be selected from dropdown)	Date	(Sector will be selected from dropdown)					J9/H9	K9/I9					Text Data

\* District to be specified if the decision to extend relief measures is by DCC