

## *Press Releases*

October 2009

### **RBI Efforts to improve Banking Reach in Sikkim**

**October 1, 2009**

Banks will open additional currency chests in the State of Sikkim within the next nine months so as to cover all the district headquarters in the State. Banks and the State administration will also work in close coordination to enhance credit flow in Sikkim. Further, the functioning of State Level Bankers Committee (SLBC) will be strengthened with high level participation from the State Government side. The commercial banks and the State Cooperative Bank of Sikkim have agreed to open new branches in most of the unbanked blocks in the State with banks using IT enabled banking services through Banking Correspondents in the remaining blocks to extend banking services to promote financial inclusion.

These were the major decisions taken after Dr. D.Subbarao, Governor, Reserve Bank of India met Shri Pawan Chamling, the Hon'ble Chief Minister of Sikkim, other senior State officials and senior bankers in the State. The Chief Minister, in his meeting with the Governor had expressed the need for opening of at least one currency chest in every district headquarter, one branch in all unbanked blocks and enhancing credit flow in the State.

### **Certificate of Registration of M/s. Bharat Finance Corporation Private Limited - Cancelled**

**October 7, 2009**

The Reserve Bank of India has on August 31, 2009 cancelled the certificate of registration granted to M/s. Bharat Finance

Corporation Private Limited, having its registered office at 20/1, Asaf Ali Road, New Delhi-110002 for carrying on the business of a non-banking financial institution. Following cancellation of the registration certificate the company cannot transact the business of a non-banking financial institution.

### **Certificate of Registration of M/s. San Components Limited – Cancelled**

**October 7, 2009**

The Reserve Bank of India has on August 31, 2009 cancelled the certificate of registration granted to M/s. San Components Limited having its registered office at 1598, Main Bazar, Paharganj, New Delhi-110055 for carrying on the business of a non-banking financial institution as the company has voluntarily exited from the business of a non-banking financial institution. Following cancellation of the registration certificate the company cannot transact the business of a non-banking financial institution.

### **Certificate of Registration of K.N.R. Finance & Investments Private Limited - Cancelled**

**October 7, 2009**

The Reserve Bank of India has on September 14, 2009 cancelled the certificate of registration granted to K.N.R. Finance & Investments Private Limited, having its registered office at No.3, First Floor, Sri Vishnu Complex, B.M. Road, Channarayapatna-573116 for carrying on the business of a non-banking financial institution. Following cancellation of the registration certificate the company cannot transact the business of a non-banking financial institution.

### **Investment by FIIs under PIS : Everonn Systems India Ltd.**

**October 7, 2009**

The Reserve Bank of India has today notified that the aggregate share holdings in Everonn Systems India Ltd. by Foreign Institutional Investors (FIIs) under Portfolio Investment Scheme (PIS) have reached the trigger limit of their paid up capital. Therefore, further purchases of equity shares in the primary/secondary market of this company would be allowed only after obtaining prior approval of the Reserve Bank of India.

### **RBI provides XBRL enabled filing of Online Returns**

**October 14, 2009**

The Reserve Bank of India has implemented Online Returns Filing System (ORFS) for banks to submit information electronically. Keeping in line with the emerging global standards in the area of financial reporting, the Reserve Bank has adopted eXtensible Business Reporting Language (XBRL) taxonomies for reporting the regulatory returns (RCA2) developed as per Basel II guidelines.

In addition to the facility to submit the ORFS/XBRL returns through hyperlinks for banks, the ORFS page has also the taxonomies with useful information on the current developments in the area of XBRL for banks and other stakeholders. At present, banks can file returns in electronic form as well through the Reserve Bank of India's secured website and now they will also be able to file the returns through XBRL enabled return filing system. The returns can be filed online through a link provided

under the 'For Bankers' link on the Reserve Bank's website ([www.rbi.org.in](http://www.rbi.org.in)). From the 'For Bankers' link, a new page called "Online Reporting" has been made available.

The Reserve Bank of India is in the process of adopting taxonomies for several other returns, including annual and quarterly financial statements.

### Certificate of Registration - Cancelled

**October 15, 2009**

The Reserve Bank of India has cancelled the certificates of registration granted to the following companies, having their registered offices at the address shown against them, for carrying on the business of a non-banking financial institution. Following cancellation of the registration certificate the companies cannot transact the business of a non-banking financial institution.

Company's name	Address of Registered office	Registration No. & Date	Date of cancellation
M/s. Peekod Finance Company Private Limited	Delhi Rohtak Road, Opp Tehsil, Bahadurgarh-124507. (Haryana)	B-14.01890 dated September 4, 2000	August 31, 2009
M/s. Swarn Finvest Private Limited	737, 2nd Floor, Shibsahay Building, Church Mission Road, Fatehpuri, Delhi-110006.	B-14.02255 dated July 24, 2002	August 31, 2009
M/s. Utkarsh Finvest Private Limited	4/3550, Gali No. 10, Sidharth Gali, Vishvas Nagar, Shahdra, Delhi-110032.	B-14.02070 dated November 14, 2000	September 3, 2009
M/s. Vatika Portfolio Private Limited	G-56, Ashok Vihar, Phase-I, New Delhi-110052.	14.02122 dated November 25, 2000	September 3, 2009

### Certificate of Registration - Cancelled

**October 22, 2009**

The Reserve Bank of India has cancelled the certificates of registration granted to the following companies, having their registered offices at the address shown against them, for carrying on the business of a non-banking financial institution. Following cancellation of the registration certificate the companies cannot transact the business of a non-banking financial institution.

Company's name	Address of Registered office	Registration No. & Date	Date of cancellation
M/s. Leasement Investo (India) Limited	2nd Floor, 157 Kapil Vihar, Main Road, Pitampura, Delhi-110034.	14.01382 dated November 30, 1998	September 2, 2009
M/s. Khemsons Global Limited	57D, Khizrbad, Near New Friends Colony, New Delhi-110065.	14.01259 dated September 22, 1998	August 31, 2009
M/s. Rex Financial Services Private Limited	307, Ajiesh House, 16/3 Abdul Aziz Road, WEA Karol Bagh, New Delhi-110005.	B-14.00714 dated April 30, 1998	August 31, 2009

### Reserve Bank cancels the Licence of The Surat Mahila Nagrik Sahakari Bank Ltd., Surat (Gujarat)

**October 22, 2009**

In view of the fact that The Surat Mahila Nagrik Sahakari Bank Ltd., Surat had ceased to be solvent, the affairs of the bank were being conducted in a manner detrimental to the interests of the depositors and the depositors were being inconvenienced by continued uncertainty, the Reserve Bank of India delivered the order cancelling its licence to the bank after the close of business

on October 20, 2009. The Registrar of Co-operative Societies, Gujarat has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank. It may be highlighted that on liquidation, every depositor is entitled to repayment of his/her deposits up to a monetary ceiling of Rs.1,00,000/- (Rupees one lakh only) from the Deposit Insurance and Credit Guarantee Corporation (DICGC) under usual items and conditions.

Consequent to the cancellation of its licence, The Surat Mahila Nagrik Sahakari Bank Ltd., Surat, Gujarat is prohibited from carrying on 'banking business' as defined in Section 5 (b) of the Banking Regulation Act, 1949 (AACS) including acceptance and repayment of deposits.

For any clarifications, depositors may approach Shri C.N.Modi, Assistant General Manager, Urban Banks Department, Reserve Bank of India, Ahmedabad. His contact details are as below:

Postal Address: Urban Banks Department, Reserve Bank of India, Ahmedabad Regional Office, La Gajjar Chambers, Ashram Road, Ahmedabad-380009; Telephone Number: (079) 26589338; Fax Number (079) 26584853; Email.

### **Reserve Bank Cancels the Licence of Suvidha Mahila Nagrik Sahakari Bank Maryadit, Hoshangabad (M.P.)**

**October 26, 2009**

In view of the fact that Suvidha Mahila Nagrik Sahakari Bank Maryadit, Hoshangabad

(M.P.), had ceased to be solvent, all efforts to revive it in close consultation with the Government of Madhya Pradesh had failed and the depositors were being inconvenienced by continued uncertainty, the Reserve Bank of India delivered the order canceling its licence to the bank after the close of business on October 21, 2009. The Registrar of Co-operative Societies, Madhya Pradesh State has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank. It may be highlighted that on liquidation, every depositor is entitled to repayment of his/her deposits up to a monetary ceiling of Rs. 1,00,000/- (Rupees one lakh only) from the Deposit Insurance and Credit Guarantee Corporation (DICGC) under usual terms and conditions.

Consequent to the cancellation of its licence, Suvidha Mahila Nagrik Sahakari Bank Maryadit, Hoshangabad (M.P.), is prohibited from carrying on 'banking business' as defined in Section 5(b) of the Banking Regulation Act, 1949 (AACS) including acceptance and repayment of deposits.

For any clarifications, depositors may approach Shri. D.K. Baxi, Deputy General Manager, Urban Banks Department, Reserve Bank of India, Bhopal. His contact details are as below:

Postal Address: Urban Banks Department, Reserve Bank of India, P.B. No. 32, Hoshangabad Road, Bhopal – 462 016. Telephone Number : (0755) 2555072/2762485 Fax Number: (0755) 2554515.

## Freedom to domestic Scheduled Commercial Banks to open branches in Tier 3 to Tier 6 centres and rural, semi-urban and urban centres in North Eastern States and Sikkim recommended

October 27, 2009

A Group constituted by Reserve Bank of India has recommended that domestic scheduled commercial banks (other than RRBs) may be given freedom to open branches in Tier 3 to Tier 6 centres (centres with population upto 49,999), without the prior permission of Reserve Bank of India, subject to reporting.

The Group has also recommended that domestic scheduled commercial banks (other than RRBs) may be given general permission to open branches in rural, semi-urban and urban centres in the North Eastern States and Sikkim.

The Group further recommended that banks would continue to approach Reserve Bank of India for prior permission for opening of branches in Tier 1 and Tier 2 centres (centres with population of 50,000 and above as per 2001 Census). The number of branches which would be authorised by RBI based on such applications may depend, *inter alia*, upon various aspects including a requirement that banks may plan their annual branch expansion in such a manner that at least one-third of total number of branches opened in a financial year are in underbanked districts and financially excluded districts of underbanked States as

also upon a critical assessment of the steps taken by the bank towards achieving the goal of financial inclusion such as the rate of credit growth in rural branches, growth in number of deposit accounts in rural areas and growth in credit accounts for less than Rs.25,000/- *etc.*,

The Group has also recommended that the branch authorisation policy in respect of foreign banks may remain unchanged until review of the roadmap for foreign banks.

The Group is also of the view that the way forward for ensuring banking penetration and financial inclusion would be to have an appropriate combination of the physical 'brick and mortar' branch model and the branchless models such as Offsite ATMs/ Point of Sale terminals, Business Correspondent model, mobile banking *etc.*, and it should be basically left to the banks themselves to decide as to which model would be suitable for delivery of banking services in a particular area, depending upon the special needs of that area.

### *Recent relaxation*

As regards Off-site ATMs, banks have been granted general permission to install Off-site ATMs with effect from June 12, 2009, subject to reporting, without having the need to take permission from the Reserve Bank in each case. However, this is subject to any direction which the Reserve Bank may issue, including for closure/shifting of any such Off-site ATMs, wherever so considered necessary by the Reserve Bank.