

Press Releases

July 2009

Certificate of Registration of Vembu Investments Private Limited – Cancelled

July 3, 2009

The Reserve Bank of India has on May 18, 2009 cancelled the certificate of registration granted to Vembu Investments Private Limited having its registered office at New No.9, (Old No.5A), Porur Street, East Tambaram, Chennai-600059 for carrying on the business of a non-banking financial institution as the company has opted to exit 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.

Reserve Bank Cancels the Licence of Prantij Nagrik Sahakari Bank Ltd., Prantij (Gujarat)

July 07, 2009

In view of the fact that the Prantij Nagrik Sahakari Bank Ltd., Prantij 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 June 30, 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 terms and conditions.

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 – 380 009 Telephone (079) 26589338, Fax (079) 26584853. Email

Certificate of Registration of M/s Hima Finance Company Private Limited - Cancelled

Julu 07, 2009

The Reserve Bank of India has on May 18, 2009 cancelled the certificate of registration granted to M/s Hima Finance Company Private Limited, having its registered office at 6-3-788/A/16, Durganagar Colony, Ameerpet, Hyderabad -500016 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.

Reserve Bank Cancels the Licence of The Katkol Co-operative Bank Ltd., Katkol, Karnataka

July 10, 2009

In view of the fact that the Katkol Co-operative Bank Ltd., Katkol, (Karnataka) had ceased to be solvent, all efforts to revive it

in close consultation with the Government of Karnataka had failed and the depositors of the bank 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 July 03, 2009. The Registrar of Co-operative Societies, Karnataka has also been requested to issue an order for winding up of the bank and appoint a Liquidator for the bank. It may be highlighted that on liquidation every depositor is entitled to repayment of his deposits up to a monetary ceiling of Rs.1,00,000/- from the Deposit Insurance and Credit Guarantee Corporation (DICGC).

For any clarifications, depositors may approach Smt Anita Bhattacharya, Deputy General Manager, Urban Banks Department, Reserve Bank of India, Bangalore. Her contact details are as below:

Postal Address: 10/3/8, Nrupathunga Road, Bangalore 560 001. Telephone Number: (080) 2229 1696, Fax Number: (080) 2229 3668/2221 0185, Email.

Certificate of Registration of Kuzhiyathu Hire Purchase & Finance Private Limited - Cancelled

July 20, 2009

The Reserve Bank of India has on June 17, 2009 cancelled the certificate of registration granted to Kuzhiyathu Hire Purchase & Finance Private Limited, having its registered office at 553/IV, Cherianad, Mampra P.O.Chengannur, Kerala 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 - Cancelled

July 20, 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.

Sr. No.	Company's name	Address of Registered office	Date of cancellation
1.	VR. Finlease Private Limited	S-12 Double Storey, New Rajinder Nagar, New Delhi-110060	June 25, 2009
2.	Geberit Electronics Ltd. (formerly Sandhya Securities Limited)	603-612, Moti Ram Road, Ram Nagar, Shahdara Delhi-110032	May 21, 2009
3.	Steering Securities & Finance Private Limited	1/18B, Asaf Ali Road, New Delhi-110002	July 01, 2009

Reserve Bank Cancels the Licence of Shri Parola Urban Co operative Bank Ltd., Parola, District Jalgaon, Maharashtra

July 22, 2009

In view of the fact that Shri Parola Urban Co operative Bank Ltd., Parola, District Jalgaon Maharashtra had ceased to be solvent, all efforts to revive it in close consultation with the Government of

Maharashtra had failed 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 July 10, 2009. The Registrar of Co-operative Societies, Maharashtra 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.

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

Postal Address: Urban Banks Department, Reserve Bank of India, Mumbai Regional Office, Second Floor, Garment House, Mumbai 400 018. Telephone (022) 2493 9930-49, Direct No. (022) 2493 5348 Fax (022) 2493 5495.

Reserve Bank Cancels the Licence of Yashwant Sahakari Bank Limited, Miraj, Dist. Sangli, Maharashtra

July 29, 2009

In view of the fact that Yashwant Sahakari Bank Limited, Miraj, Sangli, Maharashtra, had ceased to be solvent, all efforts to revive it in close consultation with the Government of Maharashtra 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 July 23, 2009. The Registrar of Co-operative Societies, Maharashtra 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.

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

Postal Address: Urban Banks Department, Reserve Bank of India, Mumbai Regional Office, Second Floor, Garment House, Mumbai 400 018. Telephone Number: (022) 2493 9930-49, Direct No. (022) 2493 5348 Fax Number: (022) 2493 5495.

Beware of Fictitious Offers/ Lottery Winnings/Cheap Fund Offers: RBI

July 30, 2009

The Reserve Bank of India has, today once again clarified that remittance in any form towards participation in lottery schemes is prohibited under the Foreign Exchange Management Act, 1999. Further, these restrictions are applicable also to remittances for participation in lottery-like

schemes functioning under different names, such as, money circulation scheme or remittances for the purpose of securing prize money / awards, etc. The Reserve Bank has clarified that it neither maintains any account in the name of individuals / companies / trusts in India to hold funds for disbursement nor does it allow individuals to open an account to deposit money with the Reserve Bank. It also does not issue any certificates or advices or confirmations, evidencing receipt and holding of money in these accounts.

The Reserve Bank has advised the public not to remit or deposit money in such accounts in response to fictitious offers/ representations. The public may immediately bring the details of such offers to the notice of local police authorities for booking the culprits.

The Reserve Bank advice came in the wake of many residents falling prey to such tempting offers and losing money in the recent past.

The Reserve Bank of India has, on several occasions in the past, cautioned the members of public not to fall prey to fictitious offers / lottery winnings / remittance of cheap funds in foreign currency from abroad by certain foreign entities / individuals, including Indian residents acting as representatives of such entities / individuals. These offers are generally made through letters, e-mails, mobile phones, SMSs, etc.

The Reserve Bank of India has stated that in addition to the typical modalities adopted in the past, the fraudsters have

now resorted to issuing certificates, letters, circulars, *etc.*, on letterhead that looks like that of the Reserve Bank of India's and purportedly signed by its executives / senior officials to make such offers look genuine. The fraudsters also convince the victims by impersonating as senior officials of the Reserve Bank with telephone numbers and/or fictitious e-mail IDs. Many fraudsters have even opened accounts with banks in India and advised public to deposit money in these accounts towards various charges, taxes, duties, *etc.* Once the money is deposited in their account, people mailing such offers withdraw the money and then vanish. The victim thus loses the money already paid.

The Reserve Bank has also urged members of public to read the ticker on the Reserve Bank's website (www.rbi.org.in) for details.

RBI Clarification on Forged Notes

July 31, 2009

Some newspapers have been erroneously quoting Nayak Committee report for estimates of forged currency notes in circulation in India.

The Reserve Bank clarifies that:

There is no estimate of forged notes in circulation by any agency. The Nayak Committee, which was set up in 1988, to go into the dynamics of currency management had, in its report, estimated the value of notes in circulation (genuine notes) in the year 2000 at Rs.1,69,000 crore. The Nayak Committee did not make any study of fake notes and did not give any figure relating to such notes.

Year	Forged Indian Currency Notes detected (Number of pieces)	Notes in Circulation (Million pieces)	Forged Indian Currency Notes as % to Notes in Circulation	No. of Forged Notes detected per Million Notes in Circulation
2000-01	102687	35,704	0.000288	3
2001-02	124515	38,338	0.000326	3
2002-03	211754	37,309	0.000568	6
2003-04	205226	38,336	0.000535	5
2004-05	181928	36,984	0.000492	5
2005-06	123917	37,851	0.000327	3
2006-07	104743	39,831	0.000263	3
2007-08	195811	44,225	0.000443	4

According to data released by the Reserve Bank of India, the forged notes detected by the banking system, including the Reserve Bank, in 2007-2008 was four notes in one million notes in circulation. The forged notes detected by the banking system, including the Reserve Bank in 2007-2008 were 1,95,811 (one ninety five thousand eight hundred eleven) as against 44,225 million (forty four thousand two hundred twenty five million) note pieces in circulation. The data released by the Reserve Bank in its Annual Report every year for the past eight years indicate that the forged notes detected to total notes in circulation in India has been between three and six notes per million since 2000-2001.

Certificate of Registration of Kampilya Investments Private Limited - Cancelled

July 31, 2009

The Reserve Bank of India has on July 1, 2009 cancelled the certificate of registration granted to Kampilya Investments Private

Limited, having its registered office at No.4, King Street, Richmond Town, Bangalore-560025 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.