

Press Releases

August 2009

The Arunachal Pradesh State Co-operative Apex Bank Ltd. – Penalised

August 6, 2009

The Reserve Bank of India has imposed a monetary penalty of Rs.5.00 lakh (Rupees Five Lakh only) on The Arunachal Pradesh State Co-operative Apex Bank Ltd., Arunachal Pradesh in exercise of powers vested in it under the provisions of Section 47A(1)(b) read with Section 46(4) of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) for granting unsecured loans to the bank's directors and their relatives, in contravention of Section 20(1)(b) of the Act, *ibid*.

The Reserve Bank of India had issued a show cause notice to the bank, in response to which the bank submitted a written reply. Based on the reply, the Reserve Bank of India came to the conclusion that the violation was substantiated and warranted imposition of penalty. Accordingly, it penalised the bank.

Certificate of Registration of M/s. Cost Plus Credit Capital Limited – Cancelled

August 10, 2009

The Reserve Bank of India has on May 18, 2009 cancelled the certificate of registration granted to M/s. Cost Plus Credit Capital Limited having its registered office at E-4, Defence Colony, New Delhi-110024, 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Certificate of Registration of M/s. Commitment Capital Services Ltd. – Cancelled

August 10, 2009

The Reserve Bank of India has on July 27, 2009 cancelled the certificate of registration granted to M/s. Commitment Capital Services Limited having its registered office at 3, Gagan Vihar, Delhi-110092, 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

High Level RBI Group suggests Steps to check Menace of Fake Notes

August 11, 2009

The sharp increase in the number of physical notes in circulation as also the increase in the number of cases of fake notes detected/seized in recent period, have clearly underscored the need for increased vigil by all stakeholders to address the menace of fake notes. From the Reserve Bank of India's side, the priority has been to ensure that fake notes are promptly detected as soon as they enter into the banking channel. It is equally important to ensure that ATMs and other outlets for currency distribution dispense clean and good notes. At the same time, the security features have to be constantly upgraded, public have to be educated on how to detect a fake note, technology needs to be used in greater measure to improve the integrity and efficiency of the currency operations, information on detection has to be shared promptly with enforcement agencies, security systems for cash storage and handling at banks strengthened further and note sorting machines installed at all bank branches and other locations. This is the thrust of the recommendations of a high level group set up by the Reserve Bank of India on currency distribution. The High Level Group on Systems and Procedures for Currency Distribution, headed by Smt. Usha Thorat, Deputy Governor, Reserve Bank of India, was set up in August 2008. Other members of the Group are Shri T.V. Mohandas Pai, Director (HR), Infosys Ltd.; Shri S.I.S Ahmed, IPS (Retd.) former Director General CRPF & CISF; Dr. K. Ramakrishnan, CEO, IBA, Shri K. Sitaramam, DMD, SBI; Smt. Madhabi Buch, ED, ICICI Bank Ltd.; Shri V.K. Sharma, ED, RBI and Shri C. Krishnan, ED, RBI being

permanent invitees and Shri U.S. Paliwal, CGM, DCM, RBI being Member Secretary.

The Group also observed that in recent times the media has been erroneously quoting the Nayak Committee as having estimated the forged notes in circulation to be around Rs 1,69,000 crore. The Group noted that the RBI appointed Nayak Committee (1988) did not, in fact, make any estimate of forged notes; the figure of Rs 1,69,000 crore refers to the projection made by the Committee of the actual notes in circulation by the year 2000. The Group noted that the number of fake notes in India is estimated at 3 to 6 pieces per million, and this is one of the lowest in the world.

Towards further strengthening the measures to combat the menace of fake notes, the Group recommended, installation of note sorting machines at all bank branches in a phased manner and banks giving a roadmap to the Reserve Bank of India to achieve this, switching over to 'cassette swapping system' so that replenishment of currency notes in ATMs is done in a highly secured manner and waiving the current requirement of filing an FIR by banks in case one gets possession of a few fake currency notes. The Reserve Bank of India placed on its website the report of the High Level Group.

Certificate of Registration of M/s. Sugandh Finvest Pvt. Ltd. - Cancelled

August 11, 2009

The Reserve Bank of India has on July 20, 2009 cancelled the certificate of registration granted to M/s. Sugandh Finvest Pvt. Ltd., having its registered office at D-180, Savitri Nagar, New Delhi-110017 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.

By the powers conferred under Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Certificate of Registration of M/s. Associated Fincap Limited – Cancelled

August 14, 2009

The Reserve Bank of India has on July 13, 2009 cancelled the certificate of registration granted to M/s. Associated Fincap Limited having its registered office at 304, Richa Industrial Estate, Veera Industrial Area, Off Link Road, Andheri West, Mumbai-400053, 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Certificate of Registration of M/s. Internet Investment Company Private Limited – Cancelled

August 14, 2009

The Reserve Bank of India has on July 17, 2009 cancelled the certificate of registration granted to M/s. Internet Investment Company Private Limited having its registered office at 3, Devi Sadan, 209 B Dr. Ambedkar Road, Matunga, Mumbai-400019 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Certificate of Registration of M/s. Seven Heaven Leasing and Finance Limited – Cancelled

August 14, 2009

The Reserve Bank of India has on July 14, 2009 cancelled the certificate of registration granted to M/s. Seven Heaven Leasing and Finance Limited having its registered office at 70-(0), Central Avenue Road, Chembur, Mumbai-400071 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Certificate of Registration of M/s. Sargam Capital Limited – Cancelled

August 17, 2009

The Reserve Bank of India has on July 15, 2009 cancelled the certificate of registration granted to M/s. Sargam Capital Limited having its registered office at 427/7, Road No. 4C, GIDC, Sachin, Surat-394236 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Certificate of Registration of M/s. SEL Leasing Ltd. – Cancelled

August 25, 2009

The Reserve Bank of India has on July 28, 2009 cancelled the certificate of registration granted to M/s. SEL Leasing Limited having its registered office at C-4/13, Safdarjung Development Area, New Delhi-110016 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.

Under powers conferred by Section 45-IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of a non-banking financial company. The business of a non-banking financial institution is defined in clause (a) of Section 45-I of the Reserve Bank of India Act, 1934.

Issue of Rs.5/- denomination banknotes with inset letter 'L' in the numbering panel in Mahatma Gandhi Series bearing the signature of Dr.D.Subbarao, Governor

August 26, 2009

The Reserve Bank of India will shortly issue Rs.5/- denomination banknotes with

inset letter 'L' in the numbering panel in Mahatma Gandhi Series, bearing signature of Dr.D.Subbarao, Governor. Except for the change in signature and inset letter the design of these notes to be issued now is similar in all respects to those issued earlier in Mahatma Gandhi Series. All Rs.5/- denomination banknotes issued by the Bank in the past will continue to be legal tender.

New Commemorative Circulation Coin Of Rs.5/-denomination (Nickel Brass) On the occasion of "Saint Alphonsa Birth Centenary"

August 26, 2009

The Reserve Bank of India will shortly put in to circulation new commemorative circulation coins of Rs.5/- denomination (Nickel Brass) issued by Government of India on the occasion of "Saint Alphonsa Birth Centenary".

Shape and Outside diameter	No.of serrations	Metal composition
Circular 23 millimetres (Bi-metallic)	100	Nickel Brass containing Copper – 75% Zinc – 20% Nickel – 5%

The new Rupee Five Coin is a legal tender as provided in the Indian Coinage Act, 1906.

