

RBI/2006-2007/438
RPCD.CO.RRB.No.BC.102/03.05.90-A/2006-07

June 15, 2007

All Regional Rural Banks

Dear Sir,

**Section 23 of the Banking Regulation Act, 1949 – Master Circular on Branch Licensing -
Regional Rural Banks (RRBs)**

Please refer to our circular RPCD.CO.RRB.No.BL.BC/11/03.05.90-A/2006-07 dated July 11, 2006 on the above subject.

2. With a view to encouraging RRBs to open branches in hitherto uncovered districts, it has been decided that the compliance with conditions prescribed at Sr.Nos. (iii) to (v) under paragraph 1.2 of the above circular may be left to the discretion of the concerned Empowered Committee for RRBs. The other instructions contained in the captioned Master Circular will, however, remain unchanged.

3. Please acknowledge receipt to our respective Regional Office.

Yours faithfully,

(C.S. Murthy)
Chief General Manager-in-Charge