

**RBI increases withdrawal limits for
depositors of Benares State Bank Limited**

October 13, 2001

The Reserve Bank of India has today partially modified its directive on Benares State Bank Limited. The modified directive now permits depositors to withdraw up to Rs. 2500 from savings bank or current account or any other deposit account. Depositors who have already withdrawn Rs. 1000 under the earlier directive will now be permitted to withdraw an additional Rs. 1500.

It may be recalled that the Reserve Bank had, on September 25, 2001, issued a directive under Section 35A of the Banking Regulation Act, 1949, restraining the Benares State Bank Limited, among other things, from making payments to depositors exceeding Rs.1000 as at the close of business on that day.

The Reserve Bank of India yesterday clarified that it had issued the directive on Benares State Bank Limited in order to protect the interest of depositors. It had further stated that insurance cover from the Deposit Insurance and Credit Guarantee Corporation was available to the depositor in respect of his deposits in the bank in the same capacity and right to the extent of Rs. one lakh.

**Alpana Killawala
General Manager**

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