

Nedungadi Bank under Moratorium

November 2, 2002

On an application of the Reserve Bank of India, the Central Government has today issued an Order of Moratorium in respect of the Nedungadi Bank Ltd. The Order of Moratorium has been passed by the Central government in the public interest, in the interest of depositors and the banking system.

The moratorium will be from the close of business on November 2, 2002 upto and including February 1, 2003. During this period, the Reserve Bank of India will consider the various options, including amalgamation of the Nedungadi Bank Ltd. with any other bank and finalise the plans in public interest and with a view to ensuring that the public deposits are fully protected.

During the period of moratorium, the bank will be permitted to make only those payments that have been specified in the Order of Moratorium and the depositors of the Nedungadi Bank Ltd. will be permitted to withdraw upto Rs.5,000 (Rs. five thousand only) from their savings bank account or current account or any other deposit account.

Alpana Killawala
General Manager

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