

**Order of Moratorium on the South Gujarat Local Area Bank Ltd, Navsari, Gujarat
November 13, 2003**

The performance and financial position of the South Gujarat Local Area Bank Ltd, Navsari, Gujarat, a local area bank established in October 2000, with its headquarters in Navsari, Gujarat, has been a matter of regulatory and supervisory concern for RBI.

On the recommendations of the Reserve Bank of India, the Government of India has passed an Order of Moratorium under Section 45(2) of the Banking Regulation Act, 1949, which will remain in force from the close of business on November 13, 2003 up to and inclusive of February 12, 2004. During the period of moratorium, the bank is permitted to make only payments as have been specified in this regard in the order of moratorium. The Order of Moratorium has been passed by the Government of India in the public interest, in the interest of the depositors and the banking system

**P.V.Sadanandan
Manager**

Press Release: 2003-2004/624