



**RESERVE BANK OF
INDIA**

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August 9, 2004

**RBI imposed directions under Banking Regulations Act on
The South Indian Co-operative Bank Ltd.**

It has been decided to issue directions under Section 35A of the Banking Regulations Act, 1949 (AACS) to The South Indian Co-operative Bank Ltd., Mumbai, in public interest. As per the directions, the bank as at the close of business on August 9, 2004, shall not, without prior approval in writing from the Reserve Bank of India, grant or renew any loans and advances, make any investment, incur liability including borrowal of funds and acceptance of fresh deposits, disburse or agree to disburse any payment whether in discharge of its liabilities and obligations or otherwise, enter into any compromise or arrangement and sell, transfer or otherwise dispose of any of its properties or assets. However, withdrawal is allowed for the depositors up to a sum not exceeding Rs.1000 (Rupees one thousand) of the total balance in every savings bank or current account or any other deposits account by whatever name called. Also renewal of the existing term deposits on maturity in the same name and same capacity is permitted. Relaxation of the directive will be considered on review.

**P.V.Sadanandan
Manager**

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