January 05, 2016

RBI extends Directions issued to the Brahmawart Commercial Co-operative Bank Ltd., Kanpur, Uttar Pradesh till April 06, 2016

The Reserve Bank of India has extended Directions issued to the Brahmawart Commercial Co-operative Bank Ltd., Kanpur for a further period of three months from January 06, 2016 to April 06, 2016, subject to review. The bank has been under directions since July 07, 2015 issued under Section 35A of the Banking Regulation Act, 1949 (AACS).

According to the Directions, Brahmawart Commercial Co-operative Bank Ltd., Kanpur cannot and without prior approval of the Reserve Bank in writing grant or renew any loans and advances, make any investment, incur any 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 except as notified in the Reserve Bank's Directions. Further, the bank can allow its depositors to withdraw a sum not exceeding ₹ 40,000 (Rupees Forty thousand only) of the total balance in every savings bank or current account or any other deposit account on one occasion during the entire period of Directions, that is, from July 07, 2015 to April 06, 2016. The other terms and conditions of the directive shall remain unchanged. A copy of the directive dated December 30, 2015 is displayed at the bank's premises for the perusal of public.

The modification of the directive by the Reserve Bank should per se not be construed as improvement or deterioration in the financial position of the bank. The Reserve Bank may consider modifications of the directive depending upon circumstances.

Ajit Prasad
Assistant General Manager

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