Directions under Section 35A of the Banking Regulation Act, 1949 (AACS)-
United India Co-operative Bank Ltd., Nagina, Bijnor, Uttar Pradesh – Extension
of period and relaxation in payment of deposits

The Reserve Bank of India (RBI) has extended the validity of the Directions
issued to United India Co-operative Bank Ltd., Nagina, Bijnor, for a further period
of six months from April 15, 2016 to October 14, 2016 subject to review. Reserve Bank
of India has also relaxed the directions imposed on United India Co-operative Bank
Ltd., Nagina, Bijnor in partial modification of its earlier directive dated July 08, 2015.
Now, the depositor will be allowed to withdraw up to ₹20,000/- (Rupees Twenty
Thousand only) per depositor (including ₹1,000/- wherever already allowed) subject
to the conditions specified in the modified directive. All other provisions of the earlier
directive dated July 08, 2015 shall remain unchanged and shall continue to be valid
up to the close of business on October 14, 2016, subject to review. The bank is
under direction since July 15, 2015.

The directions were imposed in exercise of powers vested in the Reserve
Bank under sub-section (1) of Section 35A of the Banking Regulation Act, 1949 read
with Section 56 of the Banking Regulation Act, 1949. A copy of the directive is
displayed in the bank’s premises for perusal by interested members of public.

The above relaxation has been granted with a view to reducing the hardship of
the depositors and should per se not be construed as improvement in the financial
position of the bank. The Reserve Bank may consider modifications of the directive
depending upon circumstances.

Ajit Prasad
Assistant Adviser