


**भारतीय रिज़र्व बैंक**
**RESERVE BANK OF INDIA**

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March 30, 2017

**Directions under Section 35A of the Banking Regulation Act, 1949 (AACS) –  
Shree Ganesh Sahakari Bank Ltd., Nashik, Maharashtra.**

Shree Ganesh Sahakari Bank Ltd., dated April 01, 2013 Nashik, Maharashtra, was placed under directions for a period of six months vide directive under Section 35A of the Banking Regulation, Act 1949 (AACS). The validity of the directions was extended seven times for a period of six months each time vide our directives dated September 23, 2013, March 27, 2014, September 17, 2014, March 19, 2015, September 15, 2015, March 11, 2016 and September 26, 2016 respectively. Further, vide directive dated July 18, 2016, the withdrawal limit was enhanced to ₹ 50,000. The directions were valid upto March 29, 2017.

The Reserve Bank of India has reviewed the financial position of the said bank and considered it necessary in the public interest to modify the aforesaid directions. Accordingly, in exercise of powers vested in it under sub-sections (1) and (2) of Section 35 A of the Banking Regulation Act, 1949 read with section 56 of the B.R. Act, 1949, Reserve Bank hereby directs that-

Paragraph 1(i) of the Directive dated July 18, 2016 so issued to Shree Ganesh Sahakari Bank Ltd., Nashik may be modified as under:

“i. A sum not exceeding ₹ 70,000/- (Rupees Seventy Thousand only) in every savings bank account or current account or term deposit account or any other deposit account (by whatever name called); may be allowed to be withdrawn by depositor, provided that wherever such depositor is having liability to the bank in any manner, i.e. either as a borrower or surety, including loans against the bank deposits, the amount may be adjusted first to the relevant borrowal account/s. The amount required to pay the depositors should be kept by the bank separately in an escrow account and/or in earmarked securities which will be utilized by the bank only to pay to the depositors as per the revised directions.”

Further, the Reserve Bank of India is satisfied that in the public interest, it is necessary to extend the period of operation of the Directive dated April 01, 2013, issued to Shree Ganesh Sahakari Bank Ltd, Nashik, for a further period of six months. Accordingly, the Reserve Bank of India, in exercise of powers vested in it under sub-section (1) of section 35A read with Section 56 of the Banking Regulation Act 1949, hereby directs that the Directive dated April 01, 2013 issued to Shree Ganesh Sahakari Bank Ltd, Nashik, the validity of which was upto March 29, 2017, shall continue to apply to the bank for a further period of six months from March 30, 2017 to September 29, 2017 subject to review.

In order to aid the revival process in the bank, the bank is permitted to renew the regular and secured Cash Credit accounts, set off loans against deposits and enroll new members, subject to terms and conditions laid out in the order dated March 24, 2017.

The other terms and conditions of the directive under reference remain unchanged.

A copy of the directive dated March 24, 2017 notifying the above extension and modifications is displayed at the bank's premises for the perusal of public.

The aforesaid extension and/or modifications by the Reserve Bank of India should not *per-se* be construed to imply that Reserve Bank of India is satisfied of substantive improvement in the financial position of the bank.