



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

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August 31, 2018

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## **RBI cancels the licence of Bhilwara Mahila Urban Co-operative Bank Ltd., Bhilwara, Rajasthan**

The Reserve Bank of India (RBI) has, vide order dated August 23, 2018 cancelled the licence of Bhilwara Mahila Urban Co-operative Bank Ltd., Bhilwara, Rajasthan to carry on banking business, with effect from the close of business on August 31, 2018. The Registrar of Co-operative Societies, Rajasthan has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank.

The Reserve Bank cancelled the licence of the bank as:

- i. The bank does not have adequate capital and earning prospects. As such, it does not comply with the provisions of section 11(1) and section 22 (3) (d) read with section 56 of the Banking Regulation Act, 1949.
- ii. The bank is not in a position to pay its present and future depositors in full as and when their claims accrue and thus, the bank does not comply with section 22(3)(a) read with section 56 of the Banking Regulation Act, 1949.
- iii. The affairs of the bank are being conducted in a manner detrimental to the interest of its present and future depositors and thus the bank does not comply with section 22(3)(b) read with section 56 of the Banking Regulation Act, 1949.
- iv. No useful purpose would be served by allowing the bank to continue as envisaged in Section 22(3)(e) read with section 56 of the Banking Regulation Act, 1949. Rather, public interest would be adversely affected if the bank is allowed to carry on its banking business any further.

Consequent to the cancellation of its licence, Bhilwara Mahila Urban Co-operative Bank Ltd., Bhilwara, Rajasthan is prohibited from conducting the business of 'banking' which includes acceptance of deposits and repayment of deposits as defined in Section 5(b) read with Section 56 of the Banking Regulation Act, 1949 with immediate effect.

With the cancellation of licence and commencement of liquidation proceedings, the process of paying the depositors of Bhilwara Mahila Urban Co-operative Bank Ltd., Bhilwara, Rajasthan as per the DICGC Act, 1961 will be set in motion. On liquidation, every depositor is entitled to repayment of his/her deposits up to a monetary ceiling of ₹ 1,00,000/- (Rupees One lakh only) from the Deposit Insurance and Credit Guarantee Corporation (DICGC) as per usual terms and conditions.