

Restrictions imposed on four co-op banks

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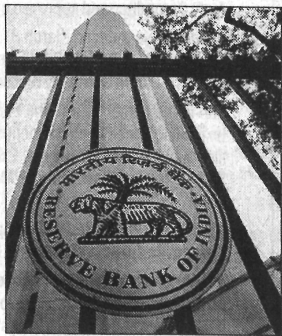
THE RESERVE BANK of India has imposed restrictions, including on withdrawals, on four cooperative banks in view of their deteriorating financial positions.

The restrictions have been imposed on Saibaba Janata Sahakari Bank, The Suri Friends' Union Co-operative Bank Ltd, Suri (West Bengal) and National Urban Co-operative Bank Ltd, Bagraich.

A depositor of Saibaba Janata Sahakari Bank cannot withdraw more than ₹20,000 from the bank while this for The Suri Friends' Union Co-operative Bank is ₹50,000.

Similarly, in the case of National Urban Co-operative Bank, the limit of withdrawal has been capped at ₹10,000 per customer.

The RBI has also imposed several restrictions on United India Co-operative Bank Limited, Bijnor, including a ban on withdrawals of funds by



customers. The directions issued by the RBI to the four cooperative banks under the Banking Regulation Act, 1949, will remain in force for six months.

The Reserve Bank has issued separate statements announcing the restrictions on the cooperative banks.

In another statement, the RBI said it has imposed a ₹57.75-lakh penalty on Suryoday Small Finance Bank for violation of certain norms related to 'frauds classification and reporting by commercial banks and select FIs'.

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