



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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March 21, 2020

**Directions under Section 35 A of the Banking Regulation Act, 1949 (AACs) –
Punjab and Maharashtra Cooperative Bank Limited, Mumbai, Maharashtra**

Punjab and Maharashtra Cooperative Bank Limited, Mumbai, Maharashtra, a Multi-State Urban Cooperative Bank was placed under All-Inclusive Directions under sub-section (1) of Section 35 A read with Section 56 of the Banking Regulation Act, 1949 with effect from close of business on September 23, 2019 vide [Directive DCBS.CO.BSD-1/D-1/12.22.183/19-20 dated September 23, 2019](#), in the interest of depositor protection. The Directions were modified from time to time, the last being on November 5, 2019 as a result of which 78 per cent of the depositors of the bank were in a position to withdraw their entire account balance.

Reserve Bank has been closely monitoring the situation and has been holding regular meetings with the Administrator and the Advisory Committee of the bank. The Reserve Bank has also been, directly and through the Administrator, discussing with various authorities on expeditious sale of securities and recoveries of loans. Due to various factors including legal processes, tangible outcomes are taking some time.

It must be noted that unlike in the case of commercial banks, the Reserve Bank has no powers to draw up an enforceable scheme of reconstruction of a cooperative bank. Nevertheless, in the interest of the depositors and the stability of the cooperative banking sector, the Reserve Bank of India, in consultation with various stakeholders and authorities, is trying to work out a scheme for revival of the bank. In order to take this forward, it is considered necessary to extend the aforesaid Directions for a further period of three months.

Accordingly, it is hereby notified for the information of the public that the validity of the aforesaid Directive dated September 23, 2019, as modified from time to time, has been extended for a further period of three months from March 23, 2020 to June 22, 2020, subject to review. All other terms and conditions of the Directives under reference shall remain unchanged.