



EC No. 122/ DoS-11/ 2021

04 June 2021

Ref. No. NB. DoS. HO. Policy/ 505/ P-77/ 2021-22

The Managing Director/ Chief Executive Officer,
All State Cooperative Banks/
All District Central Cooperative Banks

Dear Sir/Madam

Amendment to the BR Act, 1949 (AACs)- Section 9

As you are aware, the Banking Regulation Act, 1949 was amended by the Indian Parliament in 2020 with the passage of Banking Regulation (Amendment) Act, 2020. The amended Act is applicable to Rural Co-operative Banks from 01 April 2021.

2. As per the amended Section 9 of the BR Act, 1949- 'Disposal of non-banking assets' mandates that no banking company shall hold any immovable property howsoever acquired, except such as is required for its own use, for any period exceeding seven years from the acquisition thereof. Provided that the banking company may, within the period of seven years as aforesaid deal or trade in any such property for the purpose of facilitating the disposal thereof. Further, the RBI may in any particular case extend the aforesaid period of seven years by such period not exceeding five years where it is satisfied that such extension would be in the interests of the depositors of the banking company.
3. The above amended provisions of Section 9 of BR Act, 1949 (AACs) may be noted and necessary steps, if required, may be initiated by you to comply with the amended provisions of the Act *ibid*.
4. Please acknowledge receipt of this circular to our Regional Office concerned.

Yours faithfully

Sd/-

(K.S. Raghupathi)

Chief General Manager

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

National Bank for Agriculture and Rural Development

पर्यवेक्षण विभाग

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