

PRESS RELEASE
OJK REVOKES PERMIT OF KS BALI AGUNG SEDANA RURAL BANK, BADUNG

Denpasar, November 3, 2017. The Financial Services Authority (OJK) by virtue of OJK's Board of Commissioners Decree No. KEP-202/D.03/2017 concerning Revocation of Business License of PT Bank Perkreditan Rakyat (BPR) KS Bali Agung Sedana, has revoked the business license of the BPR (Rural Bank), which is located at Jl. Raya Kerobokan No. 15Z, Kuta, Badung, Bali, effective from November 3, 2017.

Prior to having its business license revoked, the BPR had been put under special supervision since April 12, 2017. In accordance with the prevailing regulation, the concerned BPR had a grace period of 180 days until October 9, 2017, to undertake restructuring efforts.

The bank was put under special supervision due to mismanagement that had made its financial performance fail to meet the standards set by the prevailing regulations.

Despite its restructuring efforts, the BPR had not been able to improve its condition by the end of the grace period and lift itself out of the special supervision status as the bank could not achieve the minimum required capital adequacy ratio (CAR) of 4 percent.

Following the revocation of the bank's business license, the Indonesia Deposit Insurance Corporation (LPS) will run its insurance function and carry out liquidation process in accordance with Law No. 24 of 2004 concerning Deposit Insurance Corporation as amended by Law No. 7 of 2009.

The OJK calls on PT BPR KS Bali Agung Sedana customers to stay calm as public funds in banks, including those in rural banks, are guaranteed by the LPS as long as the funds have satisfied the applicable requirements.

For any concerned parties, please contact OJK Office of Region 8 of Bali and Nusa Tenggara at Jl. Diponegoro No.134, Denpasar, Bali, by phone at +62 361 8497074/8497075, or by fax at +62 361 8497566.

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