



RESERVE BANK OF INDIA

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**Shri B.J.Khatal Janata Sahakari Bank Ltd.,
Sangamner, Maharashtra - Penalised**

The Reserve Bank of India has imposed a monetary penalty of Rs.5.00 lakh (rupees five lakh only) on the Shri B.J.Khatal Janata Sahakari Bank Ltd., Sangamner, Maharashtra for violation of the Reserve Bank of India's directives prohibiting loans and advances to directors and their relatives and the firms/companies/concerns in which they are interested with effect from the October 1, 2003. The penalty was imposed in exercise of powers vested in it under the provisions of Section 47A(1)(b) read with Section 46(4) of the Banking Regulation Act, 1949 (as applicable to co-operative societies)µ

The Reserve Bank of India had issued a show cause notice to the bank, in response to which the bank submitted a written reply. Based on the reply and the action taken by the bank in this regard, the Reserve Bank of India came to the conclusion that the violation was substantiated and warranted imposition of penalty. Accordingly it penalised the bank.

Ajit Prasad
Manager

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