

**भारतीय रिज़र्व बैंक**
RESERVE BANK OF INDIAवेबसाइट : www.rbi.org.in/hindiWebsite : www.rbi.org.inई-मेल/email : helpdoc@rbi.org.in

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RBI imposes monetary penalty on The Kalyan Janata Sahakari Bank Limited, Kalyan, Maharashtra

The Reserve Bank of India (RBI) has, by an order dated September 28, 2023, imposed a monetary penalty of ₹4.50 lakh (Rupees Four lakh Fifty thousand only) on The Kalyan Janata Sahakari Bank Limited, Kalyan, Maharashtra (the bank) for non-compliance with the directions issued by RBI on '[Interest Rates on Deposits](#)' and 'Maintenance of Deposit Accounts'. This penalty has been imposed in exercise of powers conferred on RBI under Section 47A(1)(c) read with Sections 46(4)(i) and 56 of the Banking Regulation Act, 1949.

This action is based on deficiency in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers.

Background

The statutory inspection of the bank conducted by RBI with reference to its financial position as on March 31, 2021, and examination of the Risk Assessment Report, Inspection Report and all related correspondence pertaining to the same, revealed, *inter alia*, that the bank had (i) opened Savings Bank (SB) accounts of ineligible institutions, and (ii) levied charges for non-maintenance of minimum balances in SB accounts without notifying the customers. Consequently, a notice was issued to the bank advising it to show cause as to why penalty should not be imposed for non-compliance with the RBI directions, as stated therein.

After considering the bank's reply to the notice, its additional submissions and the oral submissions made during the personal hearing, RBI came to the conclusion that the charge of non-compliance with the aforesaid RBI directions was substantiated and warranted imposition of monetary penalty.