



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

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October 31, 2022

RBI imposes monetary penalty on The Jammu and Kashmir State Co-operative Bank Limited, Srinagar, Jammu and Kashmir

The Reserve Bank of India (RBI) has imposed, by an order dated October 28, 2022, a monetary penalty of ₹30.00 lakh (Rupees Thirty Lakh only) on The Jammu and Kashmir State Co-operative Bank Limited, Srinagar, Jammu and Kashmir (the bank) for non-compliance with RBI directions on 'Income Recognition, Assets Classification, Provisioning and Other Related Matters'. This penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47 A (1) (c) read with Section 46 (4) (i) and Section 56 of the Banking Regulation Act, 1949, taking into account the failure of the bank to adhere to the aforesaid directions issued by RBI.

This action is based on deficiencies 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 NABARD with reference to the bank's financial position as on March 31, 2020 revealed, inter alia, non-compliance by the bank with aforesaid directions issued by RBI. Based on the same, 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 said directions.

After considering the bank's reply to the notice, RBI came to the conclusion that the aforesaid charge of non-compliance with RBI directions was substantiated and warranted imposition of monetary penalty.

Press Release: 2022-2023/1113

(Yogesh Dayal)
Chief General Manager