



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

Website : [www.rbi.org.in](http://www.rbi.org.in)

ई-मेल/email : [helpdoc@rbi.org.in](mailto:helpdoc@rbi.org.in)



संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai - 400 001 फोन/Phone: 022 - 2266 0502

November 14, 2022

**RBI imposes monetary penalty on The Berhampur Cooperative Urban Bank Ltd., Odisha**

The Reserve Bank of India (RBI) has imposed, by an order dated November 10, 2022, a monetary penalty of ₹3.10 lakh (Rupees Three lakh and Ten thousand only) on The Berhampur Cooperative Urban Bank Ltd. (the bank) for contravention of/ non-compliance with the directions issued by Reserve Bank of India (RBI) on (i) Exposure Norms and Statutory/Other Restrictions-UCBs (ii) certain provisions of the [Reserve Bank of India – \(Know Your Customer \(KYC\) Direction, 2016](#) and (iii) Depositor Education and Awareness Fund. 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 inspection report of the bank based on its financial position as on March 31, 2020 and a scrutiny of the records of the bank revealed, inter alia, that the bank had failed to (i) comply with the RBI directions on prudential inter-bank (gross) exposure norms and prudential inter-bank counter-party limit (ii) allot Unique Customer Identification Codes (UCIC) to its individual customers and (iii) submit correct certificate regarding transfer to the Depositor Education and Awareness Fund. 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 directions.

After considering the bank's reply and additional submissions made by it, RBI came to the conclusion that the aforementioned charges of non-compliance with RBI directions were substantiated and warranted imposition of monetary penalty.