



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 Jila Sahakari Kendriya Bank Maryadit, Balaghat (M.P)

The Reserve Bank of India (RBI) has imposed, by an order dated November 11, 2022, a monetary penalty of ₹1.00 lakh (Rupees One lakh only) on Jila Sahakari Kendriya Bank Maryadit, Balaghat (M.P) (the bank) for contravention of/ non-compliance with the provisions of the Banking Regulation Act, 1949 (the Act) and directions issued by NABARD on 'Frauds - Guidelines for Classification, Reporting and Monitoring'. 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.

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, revealed, *inter alia*, that the bank had (i) delayed submission of OSS returns to NABARD and (ii) had reported frauds to NABARD with delay in contravention of/ non-compliance with the provisions of the Act and aforesaid directions issued by NABARD. 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 replies and oral submissions made during the personal hearing, RBI came to the conclusion that the aforesaid charges of non-compliance with the provisions of the Act and NABARD directions were substantiated and warranted imposition of monetary penalty.