



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

ई-मेल/email : helpdoc@rbi.org.in



संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई-400001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai-400001 फोन/Phone: 022- 22660502

January 16, 2023

RBI imposes monetary penalty on The Citizens' Co-operative Bank Limited, Jammu, Jammu and Kashmir

The Reserve Bank of India (RBI) has, by an order dated January 06, 2023, imposed a monetary penalty of ₹5.00 lakh (Rupees Five Lakh only) on The Citizens' Co-operative Bank Limited, Jammu, Jammu and Kashmir (the bank) for contravention of section 35 A and section 36 (1) (a) read with section 56 of the Banking Regulation Act, 1949. 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 specific 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, revealed, inter alia, non-compliance with specific directions issued to the bank by RBI, on reducing the single and group borrower exposure limit, under a Supervisory Action Framework (SAF). 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 and additional information furnished thereto, RBI came to the conclusion that the aforesaid charge of non-compliance with RBI directions was substantiated and warranted imposition of monetary penalty.