

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

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RBI imposes monetary penalty on Nagrik Sahakari Bank Maryadit, Raipur (C.G)

The Reserve Bank of India (RBI) has imposed, by an order dated April 25, 2023, a monetary penalty of ₹4.50 lakh (Rupees Four lakh and fifty Thousand only) on Nagrik Sahakari Bank Maryadit, Raipur, Chhattisgarh (the bank) for contravention of specific directions issued to the bank by the RBI under Supervisory Action Framework in terms of section 36(1) read with section 56 of the Banking Regulation Act, 1949 (the Act), RBI Directions on Exposure Norms & Statutory/Other Restrictions-UCBs and Know Your Customer (KYC). 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 Act 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, 2021, revealed, *inter alia*, that the bank had (i) sanctioned loans and advances in violation of the Operational Instructions, (ii) not adhered to prudential inter-bank (Gross) exposure limit, (iii) not complied with the prudential inter-bank single counter party limit, and (iv) not completed risk categorisation of customers in contravention of/non-compliance with the 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 directions.

After considering the bank's replies, oral submissions made during personal hearing and additional submissions made thereafter, RBI came to the conclusion that the aforesaid charges of non-compliance with RBI directions were substantiated and warranted imposition of monetary penalty.