

**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, एस.बी.एस. मार्ग, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, S.B.S. Marg, Fort, Mumbai - 400 001

फोन/Phone: 022 - 2266 0502

April 11, 2022

**Reserve Bank of India imposes monetary penalty on
Jila Sahakari Kendriya Bank Maryadit, Shahdol (M.P.)**

The Reserve Bank of India (RBI) has imposed, by an order dated April 06, 2022, a monetary penalty of ₹1.00 lakh (Rupees One lakh only) on Jila Sahakari Kendriya Bank Maryadit, Shahdol (M.P.) (the bank) for contravention of/ non-compliance with the provisions of the Banking Regulation Act 1949 (the Act), the Depositor Education and Awareness Fund Scheme, 2014 (the Scheme) and directions issued by the RBI on [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, 2019, revealed, *inter alia*, that the bank had (i) not transferred eligible deposits unclaimed for a period of more than ten years to the Depositor Education and Awareness Fund and (ii) no system in place to monitor suspicious transactions in contravention of/ non-compliance with the provisions under section 26-A of the Act, the Scheme and directions on [Know Your Customer \(KYC\)](#). 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 RBI directions were substantiated and warranted imposition of monetary penalty.