



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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July 18, 2024

RBI imposes monetary penalty on Chandrapur District Central Co-operative Bank Limited, Chandrapur, Maharashtra

The Reserve Bank of India (RBI) has, by an order dated July 08, 2024, imposed a monetary penalty of ₹2.50 lakh (Rupees Two Lakh Fifty Thousand only) on Chandrapur District Central Co-operative Bank Limited, Chandrapur, Maharashtra (the bank) for contravention of the provisions of section 20 read with section 56 of the Banking Regulation Act, 1949 (BR Act). This penalty has been imposed in exercise of powers vested in RBI, conferred under section 47A(1)(c) read with sections 46(4)(i) and 56 of the BR Act, 1949.

The statutory inspection of the bank was conducted by National Bank for Agriculture and Rural Development (NABARD) with reference to its financial position as on March 31, 2022. Based on the supervisory findings of non-compliance with statutory provisions and related correspondence in that regard, a notice was issued to the bank, advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said provisions, as stated therein. After considering the bank's reply to the notice and oral submissions made by it during the personal hearing, RBI found, *inter alia*, that the charge of sanctioning loans to its directors was sustained, warranting imposition of monetary penalty.

This action is based on deficiency 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. Further, imposition of this monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

Press Release: 2024-2025/726

(Puneet Pancholy)
Chief General Manager