



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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DEPARTMENT OF COMMUNICATION, Central Office, S.B.S.Marg, Mumbai-400001

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October 9, 2018

**Sir M Vishvesvaraya Co-operative Bank Ltd., Bengaluru,
Karnataka – Penalised**

The Reserve Bank of India has imposed a monetary penalty of ₹ 5.00 lakh (Rupees five lakhs only) on Sir M Vishvesvaraya Co-operative Bank Ltd., Bengaluru, in exercise of the powers vested in it under the provisions of Section 47 A (1) (c) read with Section 46 (4) of the Banking Regulation Act, 1949 (As applicable to Co-operative Societies) for granting housing loans of more than ₹ 70.00 lakhs per beneficiary violating directives contained in para 2 of RBI [Circular No. UBD.BPD.\(PCB\).Cir.No.7/09.22.010/2011-12 dated October 31, 2011](#) and extending donation to a Trust where a Director of the bank was an Administrator violating RBI [circular UBD.BPD.\(PCB\).Cir.No.7/09.72.000/2013-14 dated August 30, 2013](#).

The Reserve Bank of India had issued a Show Cause Notice to the bank, in response to which the bank had submitted a written reply. After considering the facts of the case the Reserve Bank came to the conclusion that the violations were substantiated and warranted imposition of penalty.

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