



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस. मार्ग, फोर्ट, मुंबई - 400 001

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September 19, 2022

RBI imposes monetary penalty on Dr. Ambedkar Nagarik Sahakari Bank Maryadit, Gwalior (M.P)

The Reserve Bank of India (RBI) has imposed, by an order dated September 13, 2022, a monetary penalty of ₹1.50 lakh (Rupees One lakh and Fifty Thousand only) on Dr. Ambedkar Nagarik Sahakari Bank Maryadit, Gwalior (M.P) (the bank) for contravention of/ non-compliance with the directions issued by the RBI to Urban Co-operative Banks on Exposure Norms & Statutory/ Other Restrictions 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 Banking Regulation Act, 1949, 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 Risk Assessment Report of the bank based on its financial position as on March 31, 2021, revealed, *inter alia*, that the bank had (i) not complied with the prudential inter-bank gross exposure limit, (ii) exceeded the prudential inter-bank counter party exposure limit, and (iii) not ensured periodic review of risk categorization of its 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 on it for non-compliance with the directions.

After considering the bank's replies and oral submissions made during 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.