



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

ई-मेल/email: helpdoc@rbi.org.in

संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001

Department of Communication, Central Office, S.B.S.Marg, Mumbai-400001

फोन/Phone: 022- 22660502

February 04, 2021

Reserve Bank of India imposes monetary penalty on The Guntur Women Cooperative Urban Bank Ltd., Guntur, Andhra Pradesh

The Reserve Bank of India (RBI) has, by an order dated February 03, 2021, imposed a monetary penalty of ₹5.00 lakh (Rupees five lakh only) on The Guntur Women Cooperative Urban Bank Ltd., Guntur, Andhra Pradesh (the bank) for contravention of the directions issued by RBI on prohibition of loans and advances to Directors or their relatives, income recognition and asset classification and grant of loans against security of gold jewellery.

The penalty has been imposed on the bank in exercise of powers vested in RBI under the provisions of Section 47 A (1) (c) read with Section 46 (4) (i) of the Banking Regulation Act, 1949, for grant of loans to relatives of directors, divergence in income recognition and asset classification and violation of loan to value and repayment guidelines in respect of gold loans, revealed during the statutory inspection of the bank with reference to its financial position as on March 31, 2018 and March 31, 2019.

A notice was issued to the bank advising it to show cause as to why penalty should not be imposed on it for such non-compliance with the directions. After considering the bank's reply to the notice and oral submissions made during the personal hearing, RBI concluded that the charge of non-compliance with aforesaid RBI directions was substantiated and warranted imposition of monetary penalty.

This action is based on the 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.

Press Release: 2020-2021/1046

(Yogesh Dayal)
Chief General Manager