



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, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort,
Mumbai - 400 001 फोन/Phone: 022 - 2266 0502

August 14, 2023

RBI imposes monetary penalty on The Nabapalli Co-operative Bank Ltd., West Bengal

The Reserve Bank of India (RBI) has imposed, by an order dated August 07, 2023, a monetary penalty of ₹2,50,000/- (Rupees Two Lakh Fifty Thousand only) on The Nabapalli Co-operative Bank Ltd., West Bengal (the bank) for non-compliance with the directions issued by RBI on 'Exposure Norms and Statutory/Other Restrictions - UCBs' and certain provisions of the '[Reserve Bank of India – \(Know Your Customer \(KYC\)\) Direction, 2016](#)'. 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.

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, 2022 revealed, *inter alia*, that the bank had breached prudential inter-bank (gross) exposure limit and prudential inter-bank counter-party limit and failed to put in place a system of periodic review of risk categorisation of accounts. 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 failure to comply with the said directions, as stated therein.

After considering the bank's reply to the notice, additional submission and oral submissions made by it during the personal hearing, RBI came to the conclusion that the aforementioned charge of non-compliance with RBI directions was substantiated and warranted imposition of monetary penalty.

Press Release: 2023-2024/756

(Yogesh Dayal)
Chief General Manager