



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

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## **RBI imposes penalty on The Needs of Life Co-operative Bank Ltd, Mumbai**

The Reserve Bank of India has imposed a monetary penalty of ₹ 5.00 lakh (Rupees Five Lakh only) on The Needs of Life Co-operative Bank Ltd, Fort, Mumbai in exercise of the powers vested in it under the provisions of Section 47A(1)(b) read with Section 46(4) of the Banking Regulation Act, 1949 (As applicable to Co-operative Societies), for violations of the directives / guidelines of the Reserve Bank of India relating to the prohibition on loans and advances to Directors and their relatives and the concerns in which they were interested through sanction of unsecured overdraft facilities, the donation made by the bank, breaching the individual shareholding ceiling of 5% of paid-up capital, breaching the prescribed exposure limits towards real estate, commercial real estate and housing loans, breaching the outstanding unsecured exposure limit of 10%, breaching the individual unsecured exposure limit of ₹ 2.00 lakh and non-remission of funds to Depositor Education and Awareness Fund.

The Reserve Bank of India had issued a show cause notice to the bank, in response to which the bank submitted a written reply. The bank failed to attend personal hearing on September 04, 2017. After considering the facts of the case and the bank's reply in the matter, the Reserve Bank came to the conclusion that the violations were substantiated and warranted for imposition of the penalty.

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