



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-400001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai-400001 फोन/Phone: 022- 22660502

October 06, 2023

RBI imposes monetary penalty on Vidyasagar Central Co-operative Bank Limited, Midnapore, West Bengal

The Reserve Bank of India (RBI) has imposed, by an order dated September 14, 2023, a monetary penalty of ₹1.50 Lakh (Rupees One Lakh and Fifty Thousand only) on Vidyasagar Central Co-operative Bank Limited, Midnapore, West Bengal (the bank) for non-compliance with the directions issued by RBI on "Housing Finance". This penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 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 statutory inspection of the bank conducted by NABARD with reference to its financial position as on March 31, 2022, inspection report pertaining thereto and examination of all related correspondence revealed, *inter alia*, that the bank had failed to comply with RBI directions limiting the quantum of housing loan that can be granted to an individual borrower by a District Central Co-operative Bank. 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 RBI directions, as stated therein.

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