



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, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, S.B.S. Marg, Fort, Mumbai - 400 001

फोन/Phone: 022 - 2266 0502

August 05, 2022

RBI imposes monetary penalty on Indian Bank

The Reserve Bank of India (RBI) has, by an order dated August 03, 2022, imposed a monetary penalty of ₹32 Lakh (Rupees Thirty-two lakh only) on Indian Bank (the bank), for non-compliance with certain provisions of Reserve Bank of India (Fraud classification and reporting by commercial banks and select FIs) Directions 2016. 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 51(1) of the Banking Regulation Act, 1949.

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.

Background

The Statutory Inspection for Supervisory Evaluation (ISE) of the bank was conducted by RBI with reference to its financial position as on March 31, 2019, and the examination of the Risk Assessment Report, Inspection Report and all related correspondence pertaining to the same, revealed, *inter alia*, the bank failed to comply with the above-mentioned directions to the extent it furnished flash report to RBI in certain instances with delay. In furtherance to 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, oral submissions made during the personal hearing and additional submissions made by the bank, RBI came to the conclusion that the charge of non-compliance with the aforesaid RBI directions was substantiated and warranted imposition of monetary penalty on the bank, to the extent of non-compliance with the aforesaid directions.