प्रेस प्रकाशनी PRESS RELEASE

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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July 13, 2026

RBI imposes monetary penalty on The Chikhli Urban Co-operative Bank Limited, Chikhli, Maharashtra

The Reserve Bank of India (RBI) has, by an order dated July 8, 2026, imposed a monetary penalty of ₹13 lakh (Rupees Thirteen Lakh only) on The Chikhli Urban Co-operative Bank Limited, Chikhli, Maharashtra (the bank) for contravention of the provisions of Section 26A read with Section 56 of the Banking Regulation Act, 1949 (BR Act) and non-compliance with certain directions issued by RBI on 'Finance for Housing Schemes – UCBs', and 'Know Your Customer (KYC)'. This penalty has been imposed in exercise of powers conferred on RBI, under the provisions of Section 47A(1)(c) read with Sections 46(4)(i) and 56 of the BR Act.

The statutory inspection of the bank was conducted by RBI with reference to its financial position as on March 31, 2025. Based on supervisory findings of contravention of statutory provisions / non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the bank advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said provisions and directions. After considering the bank's reply to the notice, additional submissions made by it and oral submissions made during the personal hearing, RBI found, *inter alia*, that the following charges against the bank were sustained, warranting imposition of monetary penalty:

The bank had:

i. failed to transfer eligible unclaimed amounts to the Depositor Education and Awareness Fund within the prescribed period;
ii. sanctioned loans to builders / contractors, for acquisition of land; and
iii. failed to put in place a robust software for effective identification and reporting of suspicious transaction.

This action is based on deficiencies in statutory and regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers. Further, imposition of this monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

(Brij Raj)
Chief General Manager

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