

Central Bank Strips Ogni Moskvyy of Banking License

By [The Moscow Times](#)

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The Russian Central Bank has revoked the licenses of more than 30 banks since the start of the year.

The Central Bank on Friday revoked the license of a mid-sized bank Ogni Moskvyy, continuing a purge of the Russian banking system that has seen 31 banks stripped of their licenses this year alone.

Justifying the step, the Central Bank said Ogni Moskvyy was insolvent, having "engaged in high-risk activity" and "invested funds in low-quality assets," according to a statement published on the regulator's website.

Ogni Moskvyy was Russia's 172th-largest bank by asset value with 21.3 billion rubles (\$614 million) in assets on April 1, according to rating agency RIA Rating, putting it high up in a sector with more than 800 banks. In the first quarter of 2014 the bank reported net losses of 57 million rubles (\$1.6 million) against a net revenue of 9 million rubles (\$258,000) a year earlier.

The Central Bank has taken a more aggressive line against shady and financially unsteady banks since its new chief, Elvira Nabiullina, took over as its chief last summer. When the crackdown began, financial analysts said it was unlikely that licenses of banks in the top 200 would be revoked.

But a number of mid-sized banks have been caught up in the purge. The biggest of them was Master Bank, which was the country's 41st largest lender by deposits when it was stripped of its license in November.

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