



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 12, 2023

RBI imposes monetary penalty on Annasaheb Magar Sahakari Bank Ltd., Pune, Maharashtra

The Reserve Bank of India (RBI) has imposed, by an order dated September 15, 2023, a monetary penalty of ₹4.00 lakh (Rupees Four lakh only) on Annasaheb Magar Sahakari Bank Ltd., Pune, Maharashtra (the bank) for non-compliance with certain provisions of [RBI directions on 'Know Your Customer \(KYC\) Direction, 2016'](#), 'Maintenance of Deposit Accounts - Primary (Urban) Co-operative Banks', and 'Income Recognition, Asset Classification, Provisioning and Other Related Matters – UCBs'. This penalty has been imposed in exercise of powers conferred on 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 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 of the bank conducted by RBI with reference to its financial position as on March 31, 2022, and examination of the Risk Assessment Report and all correspondence related thereto, revealed, *inter alia*, that the bank (i) had not conducted periodic review of risk categorization of accounts, (ii) had collected fixed penal charge for shortfall in maintenance of minimum balance in saving bank accounts, instead of proportionate to the extent of shortfall, and (iii) had not adhered to the prudential norms relating to income recognition, asset classification and provisioning. 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 failure to comply with the directions, as stated therein.

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