



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

Website : [www.rbi.org.in](http://www.rbi.org.in)

ई-मेल/email : [helpdoc@rbi.org.in](mailto: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

January 30, 2023

**RBI imposes monetary penalty on Ilkal Co-operative Bank Ltd., Ilkal, Karnataka**

The Reserve Bank of India (RBI) has imposed, by an order dated January 23, 2023, a monetary penalty of ₹1.00 lakh (Rupees One lakh only) on Ilkal Co-operative Bank Ltd., Ilkal, Karnataka (the bank) for non-adherence / violation of directions issued on Income Recognition, Asset Classification, Provisioning and Other Related Matters – UCBs. This penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47 A (1) (c) read with Section 46 (4) (i) and Section 56 of the Banking Regulation Act, 1949 (AACS), taking into account the failure of the bank to adhere to the aforesaid directions issued by RBI.

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 inspection report of the bank based on its financial position as on March 31, 2021, revealed, inter alia, that the bank had incorrectly classified certain non-performing accounts as standard assets. Based on the same, a Notice was issued to the bank advising it to show cause as to why penalty should not be imposed for non-compliance with the directions.

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

**Press Release: 2022-2023/1634**

**(Yogesh Dayal)**  
Chief General Manager