



**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 - 400 001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai - 400 001 फोन/Phone: 022 - 2266 0502

December 07, 2023

**RBI imposes monetary penalty on The Prathamik Shikshak Sahakari Bank Limited, Satara, Maharashtra**

The Reserve Bank of India (RBI) has, by an order dated November 21, 2023 imposed a monetary penalty of ₹1.00 lakh (Rupees One lakh only) on The Prathamik Shikshak Sahakari Bank Limited, Satara, Maharashtra (the bank) for non-compliance with the directions issued by RBI on 'Management of Advances-UCBs'. This penalty has been imposed in exercise of powers conferred on 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.

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 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 had sanctioned gold loans beyond prescribed regulatory limit under bullet repayment scheme. Consequently, 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 said directions, as stated therein.

After considering the bank's reply to the notice and oral submissions made by it during the personal hearing, 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.

**(Yogesh Dayal)**  
Chief General Manager

**Press Release: 2023-2024/1434**