



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

इ-मेल email: helpdoc@rbi.org.in

संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001

Department of Communication, Central Office, S.B.S.Marg, Mumbai-400001

फोन/Phone: 022- 22660502

December 05, 2019

Reserve Bank of India imposes monetary penalty on Andhra Bank

The Reserve Bank of India (RBI) has, by an order dated December 05, 2019, imposed a monetary penalty of ₹25 lakh on Andhra Bank for non-compliance with certain provisions of directions issued by RBI on Know Your Customer (KYC) Norms/ Anti Money Laundering (AML) Standards and Opening of Current Accounts.

The 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 51 (1) of the Banking Regulation Act, 1949, taking into account the failure of the bank to adhere to the aforesaid directions issued by RBI. 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 their customers.

Background

Based on a complaint, an examination of current accounts opened by two entities in Andhra Bank was carried out and it was observed that the bank had failed to comply with certain provisions of directions issued by RBI on KYC Norms/ AML Standards and Opening of Current Accounts. Based on the findings, a Notice was issued to the bank to show cause as to why penalty should not be imposed for non-compliance with the directions. After considering the reply received from the bank and submissions made during the personal hearing, RBI came to the conclusion that the aforesaid charges of non-compliance with RBI directions were sustained and warranted imposition of monetary penalty.

Press Release: 2019-2020/1358

(Yogesh Dayal)
Chief General Manager