



CIN No. :- U65929MH1990PLC057829
Regd. Office : AVINISHA TOWER, MEHADIA SQUARE, DHANTOLI, NAGPUR - 440 012.
Tel. : (0712) 6663999 ❖ Website : www.berarfinance.com ❖ Email : info@berarfinance.com

BFL: 2023-24/ 550

Date: December 09, 2023

To,
The Manager (Listing),
The BSE Limited,
P.J. Towers,
Dalal Street,
Mumbai - 400 001.

Ref: Scrip Code: 973024	Scrip ID: 1318BFL24	ISIN: INE998Y07071
Scrip Code: 973106	Scrip ID: 15BFL25	ISIN: INE998Y07089
Scrip Code: 974200	Scrip ID: 1150BFL25	ISIN: INE998Y07139

Sub: Disclosure under Regulation 51 read with Part B of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of Regulation 51 read with Part B of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Reserve Bank of India (RBI) has, by an order dated December 07, 2023, imposed a monetary penalty of Rs. 10.54 lakh (Rupees Ten Lakh fifty four thousand only) on Berar Finance Limited for non-compliance with certain provisions of the Reserve Bank of India (Know your Customer (KYC)) Directions, 2016. The Press Release issued by RBI is enclosed herewith.

As per RBI's Press Release, 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 company with its customers.

The order was received by the Company on December 8, 2023.

For Berar Finance Limited



(Deepali Balpande)
Company Secretary and Compliance Officer
ACS: 21290

Encl: Press Release by RBI: 2023-2024/1452

Copy to following for information:-

- 1) IDBI Trusteeship Services Limited, Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Rd, Fort, Mumbai – 400 001.

**भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA**वेबसाइट : www.rbi.org.in/hindiWebsite : www.rbi.org.inई-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

December 08, 2023

RBI imposes monetary penalty on Berar Finance Limited, Nagpur, Maharashtra

The Reserve Bank of India (RBI) has, by an order dated December 07, 2023, imposed a monetary penalty of ₹10.54 lakh (Rupees Ten lakh fifty four thousand only) on Berar Finance Limited, Nagpur (the company), for non-compliance with certain provisions of the [Reserve Bank of India \(Know Your Customer \(KYC\)\) Directions, 2016](#). This penalty has been imposed in exercise of powers conferred on RBI under the provisions of clause (b) of sub-section (1) of section 58 G read with clause (aa) of sub-section (5) of section 58 B of the Reserve Bank of India Act, 1934.

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 company with its customers.

Background

The statutory inspection of the company was conducted by RBI with reference to its financial position as on March 31, 2022 and examination of the Risk Assessment Report, Inspection Report, Supervisory Letter and all related correspondence pertaining to the same revealed, *inter alia*, that the company did not (i) put in place a system of periodic review of risk categorisation of accounts, and (ii) put in to use any robust software for effective identification and reporting of suspicious transactions. Consequently, a notice was issued to the company advising it to show cause as to why penalty should not be imposed on it for failure to comply with the RBI directions, as stated therein.

After considering the company's reply to the notice, additional submissions made by it and oral submission made 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.

Press Release: 2023-2024/1452**(Yogesh Dayal)**
Chief General Manager