

**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)

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October 13, 2023

**RBI imposes monetary penalty on RBL Bank Limited**

The Reserve Bank of India (RBI) has, by an order dated September 28, 2023, imposed a monetary penalty of ₹64 Lakh (Rupees Sixty Four Lakh only) on RBL Bank Limited (the bank) for non-compliance with certain directions of Reserve Bank of India (Prior approval for acquisition of shares or voting rights in private sector banks) Directions, 2015. This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) 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 for Supervisory Evaluation (ISE 2020) of the bank was conducted by RBI with reference to its financial position as on March 31, 2020, and the examination of the Risk Assessment Report / Inspection Report pertaining to ISE 2020, and all related correspondence in that regard revealed, *inter alia*, non-compliance with the aforesaid directions by the bank, to the extent it failed to (i) obtain annual declaration in Form B from one of its major shareholders, within one month of the close of the three financial years ending on March 31, 2018, March 31, 2019 and March 31, 2020, and (ii) furnish certificates to RBI regarding continuance of the 'fit and proper' status of one of its major shareholders, by the end of September of the said three financial years. 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 said direction, as stated therein.

After considering the bank's reply to the notice, and oral submissions 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 on the bank.