



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

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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

September 13, 2024

**RBI imposes monetary penalty on Hewlett Packard Financial Services (India) Private Limited**

The Reserve Bank of India (RBI) has, by an order dated September 3, 2024, imposed a monetary penalty of ₹10,40,000/- (Rupees Ten lakh forty thousand only) on Hewlett Packard Financial Services (India) Private Limited (the company) for non-compliance with certain provisions of the 'Reserve Bank of India [[Know Your Customer \(KYC\)](#)] Directions, 2016', '[Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company \(Reserve Bank\) Directions, 2016](#)' and '[Master Direction - Information Technology Framework for the NBFC Sector](#)' issued by RBI. 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.

The statutory inspection of the company was conducted by RBI with reference to its financial position as on March 31, 2022. Based on the supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the company advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said directions.

After considering the company's reply to the notice and the oral submissions made by it during the personal hearing, RBI found, *inter alia*, that the following charges against the company was sustained, warranting imposition of monetary penalty.

The company failed to:

- put in place a system of periodic review of risk categorization of accounts
- disclose and explicitly communicate the rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers in the loan application form and in the sanction letter; and
- form an IT Strategy Committee and an IT Steering Committee.

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. Further, imposition of this monetary penalty is without prejudice to any other action that may be initiated by RBI against the company.