



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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Reserve Bank of India imposes monetary penalty on Balaji Instalments Limited

The Reserve Bank of India (RBI) has, by an order dated May 03, 2021, imposed a monetary penalty of ₹9.50 lakh (Rupees Nine lakh Fifty thousand only) on Balaji Instalments Limited, Pilibhit (the company), for non-compliance with certain provisions of the directions issued by RBI contained in '[Non-Banking Financial Company - Returns \(Reserve Bank\) Directions, 2016](#)' and 'Non-Banking Financial Companies – Acceptance of Public Deposits (Reserve Bank) Directions, 1998 (as amended vide Notification No. DNBR.010/CGM (CDS)-2015 dated March 27, 2015)'. This penalty has been imposed in exercise of powers vested in 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 58B of the Reserve Bank of India Act, 1934, taking into account the failure of the company to adhere to the aforesaid directions issued by RBI.

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 company with its customers.

Background

A scrutiny of Balaji Instalments Limited, revealed, *inter alia*, non-compliance with above mentioned directions issued by RBI. In furtherance to the same, a notice was issued to the company advising it to show cause as to why penalty should not be imposed for its failure to comply with the directions issued by RBI. After considering the company'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 aforesaid RBI directions was substantiated and warranted imposition of monetary penalty.

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(Yogesh Dayal)
Chief General Manager