



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

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May 27, 2024

Reserve Bank of India imposes monetary penalty on Yes Bank Ltd.

The Reserve Bank of India (RBI) has, by an order dated May 17, 2024, imposed a monetary penalty of ₹91.00 lakh (Rupees Ninety One Lakh only) on Yes Bank Ltd. (the bank) for non-compliance with certain directions issued by RBI on 'Customer Service in Banks', and 'Un-authorized Operation of Internal/Office Accounts'. This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of section 47A(1)(c) read with section 46(4)(i) of the Banking Regulation Act, 1949.

The Statutory Inspection for Supervisory Evaluation (ISE 2022) of the bank was conducted by RBI with reference to its financial position as on March 31, 2022. Based on supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the bank 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 bank's reply to the notice, oral submissions made during the personal hearing and examination of additional submissions made by it, RBI found, *inter alia*, that the following charges against the bank were sustained, warranting imposition of monetary penalty. The bank had (i) levied charges for non-maintenance of minimum balance in certain savings accounts having insufficient/zero balance and (ii) opened and operated certain internal accounts in the name of its customers for unauthorized purposes like parking funds and routing customer transactions.

The action is based on deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transactions or agreement entered into by the bank with its customers. Further, imposition of monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

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(Puneet Pancholy)
Chief General Manager