



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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October 03, 2025

RBI imposes monetary penalty on American Express Banking Corp

The Reserve Bank of India (RBI) has, by an order dated October 01, 2025, imposed a monetary penalty of ₹31.80 lakh (Rupees Thirty One Lakh Eighty Thousand only) on American Express Banking Corp. (the bank) for non-compliance with certain directions of [Reserve Bank of India \(Credit Card and Debit Card - Issuance and Conduct\) Directions, 2022](#) issued by RBI. This penalty has been imposed in exercise of powers conferred on RBI 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 2024) of the bank was conducted by RBI with reference to its financial position as on March 31, 2024. Based on the 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, additional submissions made by it and oral submissions made during the personal hearing, RBI found that the following charge against the bank was sustained, warranting imposition of monetary penalty:

The bank did not make any efforts to reverse credit balances of certain credit cardholders, arising out of refund / failed / reversed transactions, to their bank accounts.

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 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.