



A compilation of RBI penalties & enforcement actions in FY 25-26

APR 2026

Fintech Association for Consumer Empowerment (FACE)
RBI-recognised Self-regulatory Organisation in the FinTech Sector (SRO-FT)

A. Introduction

1. Reserve Bank of India (RBI), through its press releases¹, publishes its penal and enforcement actions on its regulated entities (REs). It includes the entity's name, the action (penalty amount and other actions), and the violations. This report compiles the 70 enforcement actions by the RBI against Banks and NBFCs in FY25-26. Our previous such report for FY24-25 is available [here](#).
2. The aim is to understand the compliance gaps and the direction of supervisory scrutiny, and to prepare the FACE members and the FinTech ecosystem to plug gaps, if they are, with timely and appropriate measures.
3. Report excludes actions against the Regional Rural & Cooperative Banks and cases² that do not specify the reasons. We took care to capture the information accurately, but for any errors/gaps in the compilation, please write to teamface@faceofindia.org.

B. Summary

4. FY25-26 saw 70 enforcement actions with penalties amount totalling Rs 21 Cr: drop of 11% in count and 36% in amount compared to FY 24-25. There were 35 actions on Banks, 32 on NBFC and 3 on Payment System Operators (PAs & PPIs). Banks, however, accounted for 90% of the penalty amount.

| Count and amount of penalties across FY25-26 and FY 24-25 | | | | | | |
|---|---------------|-----------|-------------|----------------------|-----------|-------------|
| RE type | Penalty count | | | Penalty amount Rs Cr | | |
| | FY25-26 | FY24-25 | Change | FY25-26 | FY24-25 | Change |
| Bank | 35 | 30 | 16% | 18 | 27 | -33% |
| NBFC | 32 | 48 | -33% | 2 | 6 | -66% |
| Credit Bureau | 0 | 1 | | | 0.02 | |
| PPI & PA | 3 | 0 | | 0.2 | | |
| Total | 70 | 79 | -11% | 21 | 33 | -36% |

| Penalty count for Banks | | |
|-------------------------|-----------|-----------|
| Bank type | FY25-26 | FY24-25 |
| Bank-Foreign | 4 | 3 |
| Bank-Payment | 2 | 1 |
| Bank-Private | 15 | 16 |
| Bank-Public | 13 | 8 |
| Bank-SFB | 1 | 2 |
| Total | 35 | 30 |

| Penalty count for NBFCs | | |
|-------------------------|-----------|-----------|
| NBFC type | FY25-26 | FY24-25 |
| NBFC-CIC | | 1 |
| NBFC-Factor | 1 | 1 |
| NBFC-HFC | 6 | 7 |
| NBFC-ICC | 24 | 28 |
| NBFC-MFI | | 5 |
| NBFC-P2P | 1 | 6 |
| Total | 32 | 48 |

¹ https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx

² Example CoR cancellations against NBFCs

5. Below is a summary table of the penalties imposed across the RE types in FY25-26

| RE Type | Penalty count | Penalty amount, Rs Lakhs | Share penalty count | Share in Penalty amount |
|-------------------|---------------|--------------------------|---------------------|-------------------------|
| Bank-Foreign | 4 | 117 | 6% | 6% |
| Bank-Payment | 2 | 61 | 3% | 3% |
| Bank-Private | 15 | 798 | 21% | 39% |
| Bank-Public | 13 | 772 | 19% | 38% |
| Bank-SFB | 1 | 100 | 1% | 5% |
| Bank-total | 35 | 1,848 | 50% | 90% |
| NBFC-CIC | 0 | 0 | 0% | 0% |
| NBFC-Factor | 1 | 1 | 1% | 0% |
| NBFC-HFC | 6 | 4 | 9% | 0% |
| NBFC-ICC | 24 | 135 | 34% | 7% |
| NBFC-MFI | 0 | 0 | 0% | 0% |
| NBFC-P2P | 1 | 40 | 1% | 2% |
| NBFC-total | 32 | 180 | 46% | 9% |
| PPI & PA | 3 | 27 | 4% | 1% |
| Credit Bureau | 0 | 0 | 0% | 0% |
| Total | 70 | 2,055 | 100% | 100% |

6. Analysis of penalties across the NBFC layers in FY25-26 shows that 13 base-layer NBFCs received penalties of Rs 0.56 Cr. Although upper-layer NBFCs had only a 12% share in penalty count, they accounted for 45% of the overall penalty amount imposed on NBFCs.

| Penalty across NBFC layers in FY25-26 | | |
|---------------------------------------|---------------|-----------------------|
| NBFC layer | Penalty count | Penalty amount, Rs Cr |
| Base | 13 | 0.53 |
| Middle | 15 | 0.37 |
| Upper | 4 | 0.9 |
| Total | 32 | 2 |

7. The distribution of the penalty amount is given in the table below. In FY25-26, for NBFCs, 85% of penalties were less than Rs 5 Lakh. For banks, about 46% are in the Rs 10-50 lakh range and 40% in the Rs 50-100 lakh range.

| Distribution of penal action for NBFCs | | |
|--|-------------|-------------|
| NBFC | FY25-26 | FY24-25 |
| < 1 lakh | 38% | 10% |
| 1-5 lakhs | 47% | 40% |
| 5-10 lakhs | 6% | 12% |
| 10-50 lakhs | 6% | 33% |
| >50 lakhs | 3% | 5% |
| Total | 100% | 100% |

| Distribution of penal action for Banks | | |
|--|-------------|-------------|
| Bank | FY25-26 | FY24-25 |
| <10 lakhs | 6% | 7% |
| 10-50 lakhs | 46% | 20% |
| 50-100 lakhs | 40% | 30% |
| >100 lakhs | 9% | 43% |
| Total | 100% | 100% |

8. To understand the underlying reasons, report bucket them in 5 broad categories and group the remaining reasons as others. Customer protection and KYC were the top reasons for penalties. 70 penalty actions, 51 (73%) had a single reason for the penalty, but others had more than one reason for the penalty. Therefore, table totals won't match the total penalty count. Given that the penalty amount cannot be attributed and apportioned to specific reasons in case of a penalty imposed for multiple issues, we only mention the count in the table below.

| Count of penalty reasons FY25-26 | | | | | |
|----------------------------------|---------------------------------|------|------|----------|-------|
| Sl no | Reasons | Bank | NBFC | PPI & PA | Total |
| 1 | Prudential/Governance/Reporting | 2 | 11 | 1 | 14 |
| 2 | Customer protection | 17 | 5 | - | 22 |
| 3 | KYC | 9 | 11 | 1 | 21 |
| 4 | Reporting to CICs/CRILIC | 5 | 1 | - | 6 |
| 5 | Outsourcing | 4 | 1 | - | 5 |
| 6 | Others ³ | 17 | 8 | 1 | 26 |

9. The table below [\(Annex\)/here](#)⁴ captures description of the action, penalty amount/other action, and link to the RBI press-release.

³ Others include reasons like payment of entire variable pay to KMP, acquiring loan from ineligible entity, RE obtaining DLG from LSP exceeding 5% of o/s loan portfolio, routing loan repayment through 3rd party account, opening current accounts in contravention of extant regulatory requirements, non-compliance with margin requirements for intra-day limits, failure to maintain the prescribed LTV ratio in some non-agricultural gold loan accounts, routing unauthorised or unrelated entries through certain internal / office accounts, non-transfer of eligible amount to the Depositor Education and Awareness Fund within the prescribed period, amongst others. For details under each category please refer the master data sheet [here](#).

⁴ We regularly update the list for actions by RBI and is available exclusively to FACE members.

C. Annex: Enforcement actions in detail for FY25-26⁵

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|--------------|--|--------------------------|
| 1 | 9.05.2025 | State Bank of India | Bank-Public | 1. The bank extended a bridge loan to an entity against amounts receivable from the Central / State Government by way of subsidy / reimbursement; 2. The bank failed to (i) credit (shadow reversal) the amount involved in unauthorised electronic transactions to certain customer accounts within 10 working days from the date of notification by the customer and (ii) compensate certain customers within 90 days from the date of receipt of the complaint; 3. The bank opened / maintained certain current accounts in contravention of regulatory requirements. | 100.72 |
| 2 | 25.04.2025 | Indian Bank | Bank-Public | 1. The bank failed to benchmark the interest rate on certain floating rate retail loans and loans to certain Micro, Small and Medium Enterprises to an external benchmark rate; 2. The bank had obtained collateral security in respect of certain KCC loans upto ₹1.6 lakh and certain loans to Micro and Small Enterprises upto ₹10 lakh; and 3. The bank did not transfer eligible amount to the Depositor Education and Awareness Fund within the prescribed period. | 100.61 |
| 3 | 9.05.2025 | Jana Small Finance Bank | Bank-SFB | 1. The bank issued / allotted CCPS to certain persons, which taken along with equity share capital held by them, made such persons to hold more than permitted percentage of the paid-up share capital of the bank. It was not ensured that such persons have obtained previous approval of RBI as required under Section 12B(1) of the BR Act. | 100 |
| 4 | 05.12.2025 | Jammu and Kashmir Bank Limited | Bank-Private | 1. The bank did not escalate certain complaints that were partly / wholly rejected by its internal grievance mechanism to the Internal Ombudsman for a final decision | 99.3 |

⁵ Sorting of the table is done on the penalty amount in the descending order.

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|---|--------------|--|--------------------------|
| | | | | <p>2. The bank did not send final letters to its customers regarding redressal of their complaints and thereby failed to ensure that customers were made aware of their rights to approach Banking Ombudsman in case they were not satisfied with the bank's response</p> <p>3. The bank did not transfer eligible amount in certain accounts to Depositor Education and Awareness (DEA) Fund within the stipulated period</p> <p>4. The bank did not have a face matching technology in Video-based Customer Identification Process (V-CIP) and also failed to confirm the economic and financial profile/information submitted by the customer during the V-CIP.</p> | |
| 5 | 2.05.2025 | ICICI Bank | Bank-Private | <p>1. The bank failed to report a cyber security incident to RBI within the stipulated timeline;</p> <p>2. The bank failed to put into use a robust software for throwing alerts for certain categories of accounts;</p> <p>3. The bank failed to send credit card bills / statements to certain customers, but levied late payment charges.</p> | 97.8 |
| 6 | 27.03.2026 | Union Bank of India | Bank-Public | <p>1. The bank did not credit (shadow reversal) the amount involved in the unauthorised electronic transaction to certain customers' accounts within 10 working days from the date of such notification by the customer</p> <p>2. The bank did not provide customers with 24x7 access to report unauthorised banking transactions through multiple channels</p> <p>3. The bank resorted to manual intervention in the System based asset classification process in certain KCC accounts.</p> | 95.4 |
| 7 | 28.11.25 | HDFC Bank Limited | Bank-Private | <p>1. The bank had adopted multiple benchmarks within the same loan category;</p> <p>2. A wholly owned subsidiary of the bank undertook business which is not a permissible business that can be undertaken by a banking company under Section 6 of the BR Act; and</p> <p>3. The bank had outsourced the function of determining compliance with KYC norms of certain customers to its outsourcing agents.</p> | 91 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|--------------|--|--------------------------|
| 8 | 08.08.25 | ICICI Bank | Bank-Private | <ol style="list-style-type: none"> 1. The bank did not carry out valuation of properties by independent valuers in certain mortgage loans. 2. The bank opened / maintained certain current accounts in contravention of extant regulatory requirements. | 75 |
| 9 | 25.04.2025 | Mahindra & Mahindra Financial Services Limited | NBFC-ICC | <ol style="list-style-type: none"> 1. The company did not disclose the processing fees and other charges in certain loan application forms; 2. The company did not furnish copies of loan agreements and did not convey details of the loans in the sanction letters to certain borrowers; 3. The company did not give a final chance to certain borrowers to repay the loans, before the sale / auction of vehicles; and 4. The company allotted multiple customer identification codes to certain customers, instead of a Unique Customer Identification Code (UCIC) for each individual customer. | 71.3 |
| 10 | 27.03.2026 | Central Bank of India | Bank-Public | <ol style="list-style-type: none"> 1. The bank failed to upload the KYC records of certain customers onto Central KYC Records Registry within the prescribed timeline. 2. The bank opened additional BSBD accounts of certain customers, who were already holding BSBD accounts in the bank. | 63.6 |
| 11 | 13.02.2026 | CSB Bank Limited | Bank-Private | <ol style="list-style-type: none"> 1. The bank entered into an arrangement with BCs for undertaking activities, which are not covered within the scope of activities that can be undertaken by BCs 2. The bank levied charges in certain savings bank accounts without ensuring that customers were made aware of such charges upfront. | 63.6 |
| 12 | 23.05.25 | Union Bank of India | Bank-Public | <ol style="list-style-type: none"> 1. The bank had not transferred eligible amounts to the Depositor Education and Awareness Fund within the prescribed period; and 2. The bank had obtained collateral security for agricultural loans amounting upto ₹1.60 lakh in certain cases. | 63.6 |
| 13 | 25.04.2025 | Indian Overseas Bank | Bank-Public | <ol style="list-style-type: none"> 1. The bank had obtained collateral security for agricultural loans up to ₹1.60 lakh in certain cases and | 63.6 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|---|--------------|---|--------------------------|
| | | | | 2. The bank had obtained collateral security for loans up to ₹10 lakh extended to certain Micro and Small Enterprises (MSEs). | |
| 14 | 19.12.2025 | Kotak Mahindra Bank | Bank-Private | <ol style="list-style-type: none"> 1. The bank opened another BSBD account of certain customers who were already holding BSBD account in the bank 2. The bank entered into an arrangement with BCs for undertaking activities, which are not covered within the scope of activities that can be undertaken by BCs 3. The bank furnished inaccurate information, in respect of certain borrowers, to Credit Information Companies (CICs). | 61.95 |
| 15 | 2.05.2025 | Bank of Baroda | Bank-Public | <ol style="list-style-type: none"> 1. The bank failed to ensure that no incentive (non-cash) was paid to its staff engaged in insurance corporate agency service by an insurance company; and 2. The bank did not credit interest in certain inoperative / dormant / frozen savings deposit accounts at the prescribed intervals. | 61.4 |
| 16 | 17.04.2025 | Kotak Mahindra Bank | Bank-Private | <ol style="list-style-type: none"> 1. The bank failed to ensure that the outstanding 'loan component' was at least the specified percentage of the sanctioned fund based working capital limit for certain borrowers. 2. The bank did not comply with the margin requirements for intra-day limits to certain stock-brokers. | 61.4 |
| 17 | 27.03.2026 | Bank of India | Bank-Public | <ol style="list-style-type: none"> 1. The bank collected ad-hoc service charges / inspection charges / processing charges in certain priority sector loan accounts, having sanctioned amount up to ₹25,000/ 2. The bank did not pay interest on certain Term Deposit Receipts (TDRs) from the date of maturity till the date of their repayment. | 58.5 |
| 18 | 16.05.2025 | Deutsche Bank AG | Bank-Foreign | 1. The bank did not report credit information of certain borrowers to Central Repository of Information on Large Credits (CRILC). | 50 |
| 19 | 29.08.25 | Bandhan Bank | Bank-Private | <ol style="list-style-type: none"> 1. The bank paid remuneration in the form of commission to certain employees 2. The bank had carried out manual intervention through back-end in respect of | 44 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|--------------|--|--------------------------|
| | | | | data of certain accounts and had not captured the audit trails/logs of access with specific user details in the system. | |
| 20 | 23.05.25 | Transactree Technologies Pvt Ltd (Lendbox) | NBFC-P2P | <ol style="list-style-type: none"> 1. Routed the amounts disbursed and collected in loan accounts in the P2P Platform through a 'co-lending escrow account' in violation of the laid down 'Fund Transfer Mechanism'; and 2. did not: (a) disclose credit assessment and risk profile of the borrowers to the prospective lenders; and (b) disbursed loans to individual borrowers without the specific approval of individual lenders. | 40 |
| 21 | 14.11.2025 | Tamilnad Mercantile Bank Limited | Bank-Private | <ol style="list-style-type: none"> 1. The bank had indirectly imposed charges on Basic Savings Bank Deposit (BSBD) account holders for making payment using Unified Payments Interface (UPI); and 2. The bank had not transferred eligible amounts to the Depositor Education and Awareness Fund within the prescribed period. | 39.6 |
| 22 | 20.02.2026 | UCO Bank | Bank-Public | <ol style="list-style-type: none"> 1. The bank did not pay any interest on certain Savings Bank Deposit accounts 2. The bank did not report credit related Self Help Group member level data to Credit Information Companies 3. The bank did not refund the proportionate amount of advance locker rent collected in case of premature surrender of locker by certain customers. | 38.6 |
| 23 | 17.04.2025 | IDFC First Bank | Bank-Private | <ol style="list-style-type: none"> 1. The bank failed to undertake requisite Customer Due Diligence process for opening current accounts of certain sole proprietary firms. | 38.6 |
| 24 | 13.02.2026 | Bank of Maharashtra | Bank-Public | <ol style="list-style-type: none"> 1. The bank did not report Self Help Group member level data to Credit Information Companies; and 2. The bank did not identify Beneficial Owners in certain accounts. | 32.5 |
| 25 | 30.03.2026 | Airtel Payments Bank Limited | Bank-Payment | <ol style="list-style-type: none"> 1. The charge against the bank regarding non-disclosure of certain complaints in its annual financial statements for the financial year 2024-25, was sustained, warranting imposition of monetary penalty. | 31.8 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|---|--------------|--|--------------------------|
| 26 | 20.03.2026 | HSBC Bank | Bank-Foreign | 1. The bank did not (i) host a searchable database of unclaimed deposits on its website and (ii) generate and assign Unclaimed Deposits Reference Number (UDRN) to certain unclaimed deposits transferred to the "Depositor Education and Awareness" (DEA) Fund. | 31.8 |
| 27 | 03.10.25 | American Express Banking Corp | Bank-Foreign | 1. 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. | 31.8 |
| 28 | 30.09.25 | Indian Overseas Bank | Bank-Public | 1. The bank collected loan related charges in certain PSL accounts, each having sanctioned loan amount upto ₹25,000/-. | 31.8 |
| 29 | 2.05.2025 | Bank of Maharashtra | Bank-Public | The bank did not adhere to certain regulatory requirements in respect of several deposit accounts opened using Aadhaar OTP based e-KYC, in non-face-to-face mode. | 31.8 |
| 30 | 2.05.2025 | IDBI Bank | Bank-Private | 1. The bank charged interest in excess of applicable rate of interest in certain KCC accounts. | 31.8 |
| 31 | 13.02.2026 | DCB Bank Limited | Bank-Private | 1. The bank failed to maintain the prescribed loan-to-value (LTV) ratio in certain non-agricultural gold loan accounts during the tenure of such loans. | 29.6 |
| 32 | 20.06.25 | Fino Payments Bank Ltd | Bank-Payment | 1.The bank breached the regulatory ceiling of end of the day balance, as applicable for a payments bank, in certain accounts on several occasions. | 29.6 |
| 33 | 16.05.2025 | Yes Bank | Bank-Private | 1. The bank did not report credit information of certain borrowers to Central Repository of Information on Large Credits (CRILC). | 29.6 |
| 34 | 2.05.2025 | Axis Bank | Bank-Private | 1. The bank routed unauthorised or unrelated entries through certain internal / office accounts. | 29.6 |
| 35 | 17.04.2025 | Punjab National Bank | Bank-Public | 1. The bank levied penal charges for non-maintenance of minimum balance in inoperative accounts. | 29.6 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|--------------|---|--------------------------|
| 36 | 12.09.25 | PhonePe Limited | PPI | 1. The end of the day balance in the escrow account of the company was less than the value of outstanding PPIs and payments due to merchants on certain days and the company did not report shortfall in the said escrow account to RBI immediately. | 21 |
| 37 | 27.02.2026 | Mahindra & Mahindra Financial Services Limited | NBFC-ICC | 1. The company levied revised foreclosure charges on certain accounts of borrowers without incorporating a suitable condition in their loan agreements 2. The company failed to ensure; a) escalation of certain complaints, partly / wholly rejected by the company's Internal Grievance Redress Mechanism to its Internal Ombudsman within the prescribed time. b) communication of final decision to the complainant, within the prescribed time, in certain cases. | 11.5 |
| 38 | 05.12.2025 | Bansal Credits Limited | NBFC-ICC | 1. The company failed to put in place any system for throwing alerts for effective identification, monitoring and reporting of suspicious transactions 2. The company failed to upload the customers' KYC records onto Central KYC Records Registry. | 6.2 |
| 39 | 13.02.2026 | IIFL Finance Limited | NBFC-ICC | 1. The company failed to classify certain accounts as 'non-performing asset', on restructuring. | 5.3 |
| 40 | 11.07.25 | HDFC Bank Limited | Bank-Private | 1. For contravention of Paragraph 9.3.6 of 'Master Direction – Foreign Investment in India' dated January 04, 2018, while granting a term loan to its client. | 4.88 |
| 41 | 03.10.25 | HDB Financial Services Ltd | NBFC-ICC | 1. The company failed to obtain Permanent Account Number (PAN) or equivalent e-document thereof or Form No. 60 in certain loan accounts disbursed during FY 2023-24. | 4.2 |
| 42 | 20.11.25 | Glowmore Finance Private Limited | NBFC-ICC | 1. The company had failed to obtain prior written permission of the RBI for effecting change in management, resulting in change of more than 30 per cent of its directors, excluding independent directors | 4 |
| 43 | 13.02.2026 | Navi Finserv Limited | NBFC-ICC | 1. The company contacted customers after 7:00 p.m. and before 8:00 a.m. for recovery of overdue loans and did not follow the due protocol while sending messages to customers. | 3.8 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|--------------|--|--------------------------|
| 44 | 09.04.2025 | Citi Bank N.A | Bank-Foreign | 1. For not undertaking due diligence while processing the inward remittances from a Foreign Currency Account opened by a constituent. | 3.2 |
| 45 | 27.03.2026 | Pine Labs Limited | PPI | 1. The charge against the company of issuing several Full-KYC Prepaid Payment Instruments (PPIs) without completing Know Your Customer (KYC) of the PPI holders was sustained, warranting imposition of monetary penalty. | 3.1 |
| 46 | 16.03.2026 | Cashfree Payments India Private Limited | PA | 1. The charge against the company for making certain impermissible debit from the escrow account was sustained, warranting imposition of monetary penalty. | 3.1 |
| 47 | 06.03.2026 | Maanaveeya Development & Finance Private Limited | NBFC-ICC | 1. The company had failed to take prior written permission of the RBI while appointing a director resulting in change in its management on account of change in more than 30 per cent of its directors, excluding independent directors. | 3.1 |
| 48 | 05.12.2025 | Truhome Finance Limited | NBFC-HFC | 1. The company failed to obtain Permanent Account Number (PAN) or equivalent e-document thereof or Form No. 60 in certain loan accounts. | 3.1 |
| 49 | 05.12.2025 | Keertana Finserv Limited | NBFC-ICC | 1. The company had failed to take prior written permission of the RBI while appointing a director resulting in change in management on account of change in more than 30 per cent of its directors, excluding independent directors. | 3.1 |
| 50 | 28.11.25 | Mannakrishna Investments Private Limited | NBFC-ICC | 1. The company had failed to take prior written permission of the RBI while appointing a director resulting in change in management on account of change in more than 30 per cent of its directors, excluding independent directors. | 3.1 |
| 51 | 13.03.2026 | Manappuram Finance Limited | NBFC-ICC | 1. The company had paid the entire variable pay upfront to certain Key Managerial Personnel, without any deferment. | 2.7 |
| 52 | 30.01.2026 | Northern Arc Capital Limited | NBFC-ICC | 1The company failed to put in place any IT system / software for effective identification and reporting of suspicious transactions. | 2.7 |
| 53 | 26.09.25 | Muthoot FinCorp Limited | NBFC-ICC | 1. The company failed to establish a system of auto escalation of complaints that were partly or wholly rejected by the company's internal grievance redress mechanism to its Internal Ombudsman | 2.7 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|-------------|---|--------------------------|
| 54 | 11.07.25 | Shriram Finance Ltd | NBFC-ICC | 1. The company routed the loan repayments through the account of a third-party, instead of the borrowers directly crediting the loan repayments to the company's account. | 2.7 |
| 55 | 29.12.2025 | Valuecorp Securities & Finance Limited | NBFC-ICC | 1. Failed to submit credit information of its customers to any of the Credit Information Companies (CICs) 2. Transferred a loan exposure to other than a permitted entity 3. Failed to assign Unique Customer Identification Code (UCIC) to its customers 4. Failed to carry out risk categorisation of its customers. | 2.4 |
| 56 | 05.06.25 | PayMe India Financial Services Pvt Ltd | NBFC-ICC | 1. The company accepted public deposits in violation of the specific conditions of CoR; and 2. The company failed to obtain prior written permission of RBI for change in shareholding in excess of 26 percent of its paid-up equity capital. | 2 |
| 57 | 5.02.2026 | Vinayaka Capsec Private Limited | NBFC-ICC | 1. The company had failed to obtain prior written permission of RBI for change in shareholding in excess of 26 per cent of its paid-up equity capital. | 1 |
| 58 | 08.01.2026 | Pinnacle Capital Solutions Private Limited | NBFC-Factor | 1. The company had obtained a Default Loss Guarantee from Lending Service Provider, which exceeded five per cent of the amount of outstanding loan portfolio. | 1 |
| 59 | 21.08.25 | Ayodhya Finlease Limited | NBFC-ICC | The company had failed to obtain prior written permission of RBI for change in shareholding in excess of 26 percent of its paid-up equity capital. | 1 |
| 60 | 22.01.2026 | VSJ Investments Private Limited | NBFC-ICC | 1. The company had acquired a loan from an ineligible entity. | 0.8 |
| 61 | 16.10.25 | Sahara Housingfina Corporation Limited | NBFC-HFC | 1. The company had failed to upload the KYC records of customers onto Central KYC Records Registry (CKYCR) within the prescribed timeline. | 0.5 |
| 62 | 15.05.2025 | Grewal Brothers Finance Company | NBFC-ICC | 1. The company failed to obtain prior written permission of the RBI for effecting change in management, resulting in change of more than 30 per cent of its directors, excluding independent directors. | 0.5 |

| SI no | Date | RE name/link to press-release on panel action | RE type | Penalty reasons | Penalty amount, Rs Lakhs |
|-------|------------|--|----------|---|--------------------------|
| 63 | 05.01.2026 | Sankhya Financial Services Private Limited | NBFC-ICC | 1. The company had assigned a non-performing asset to an ineligible entity. | 0.4 |
| 64 | 03.06.25 | India Home Loan Ltd | NBFC-HFC | 1. The company had failed to carry out periodic review of risk categorisation of accounts with such periodicity being at least once in six months; and 2. The company had failed to conduct periodic updation of KYC of its customers. | 0.32 |
| 65 | 23.03.2026 | Vedvyas Finance Private Limited, Odisha | NBFC-ICC | 1. The company had failed to take prior written permission of the RBI while appointing a director resulting in change in its management on account of change in more than 30 per cent of its directors, excluding independent directors. | 0.3 |
| 66 | 03.06.25 | Khush Housing Finance Pvt Ltd | NBFC-HFC | 1. The company had failed to carry out risk categorisation of its customers. | 0.16 |
| 67 | 05.01.2026 | Shaha Finlease Private Limited | NBFC-ICC | 1. The company failed to put in place a system of periodical review of compliance of the 'Fair Practices Code'. | 0.1 |
| 68 | 04.11.25 | Viva Home Finance Limited | NBFC-HFC | 1. The company had failed to obtain prior written permission of RBI for the appointment of a Whole-time Director, resulting in change of more than 30% of the Directors excluding Independent Directors of the company. | 0.1 |
| 69 | 11.08.25 | Altum Credo Home Finance Private Limited | NBFC-HFC | The company had failed to put in place a system of periodic review of risk categorisation of accounts, with such periodicity being at least once in six months. | 0.1 |
| 70 | 29.05.25 | N.Y. Leasing Pvt Ltd | NBFC-ICC | 1. Company has violated RBI guidelines on outsourcing of financial services in its digital lending operations by outsourcing its core decision-making functions such as such as sourcing of customers, conducting their due-diligence, disbursement of loans, collection of repayments etc. as well as Know Your Customer (KYC) verification to the Service Provider. | CoR cancelled |



[Fintech Association for Consumer Empowerment \(FACE\)](#) is the RBI-recognised [Self-Regulatory Organisation in the FinTech sector \(SRO-FT\)](#). FACE is the largest and most diverse convening of FinTechs with more than 375 members. FinTech companies of all kinds come together at FACE to build an industry that enables customer-centric financial services that are safe, suitable, and transparent, delivering positive impacts on society and the economy.

All our reports are [here](#). For inputs on the report and interest in membership, contact teamface@faceofindia.org