

**भारतीय रिज़र्व बैंक**
RESERVE BANK OF INDIAवेबसाइट : www.rbi.org.in/hindiWebsite : www.rbi.org.inई-मेल/email : helpdoc@rbi.org.in

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May 06, 2022

Reserve Bank of India imposes monetary penalty on KKR India Financial Services Limited, Mumbai

The Reserve Bank of India (RBI) has imposed, by an order dated May 05, 2022, a monetary penalty of ₹5.00 Lakh (Rupees Five Lakh only) on KKR India Financial Services Limited, Mumbai (the company) for non-compliance with the '[Monitoring of Frauds in NBFCs \(Reserve Bank\) Directions, 2016](#)' issued by RBI. 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 58 B of the Reserve Bank of India Act, 1934, taking into account the failure of the company to adhere to the aforesaid RBI Directions.

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 with its customers.

Background

The Statutory Inspection of the company was conducted by RBI with reference to its financial position as on March 31, 2020 and the examination of the Risk Assessment Report, Inspection Report and all related correspondence pertaining to the same, revealed, *inter alia*, non-compliance with the aforesaid Directions to the extent delay in reporting of fraud to RBI through FMR-1 and through a DO letter was observed. 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 on it for failure to comply with the RBI directions, as stated therein.

After considering the company's reply to the notice, oral submissions made in the personal hearing and examination of additional submissions made by it, RBI came to the conclusion that the charge of non-compliance with the aforesaid RBI directions was substantiated and warranted imposition of monetary penalty.