

**भारतीय रिज़र्व बैंक**
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Reserve Bank of India imposes monetary penalty on Daimler Financial Services India Private Limited, Pune, Maharashtra

The Reserve Bank of India (RBI) has, by an order dated May 05, 2022, imposed a monetary penalty of ₹5.00 lakh (Rupees Five lakh only) on Daimler Financial Services India Private Limited, Pune, Maharashtra (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 examination of the Risk Assessment Report and report pertaining to the aforementioned inspection, and all related correspondence pertaining to the same, revealed, *inter alia*, non-compliance with the aforesaid RBI directions to the extent of delay in reporting of fraud to RBI through FMR-1. 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 and oral submissions made during the personal hearing, RBI came to the conclusion that the charge of non-compliance with the aforesaid RBI directions was substantiated and warranted imposition of monetary penalty.