RBI imposes monetary penalty on Bandhan Bank

The **Reserve Bank of India (RBI)** vide its **Press Release dated April 24, 2026**, has imposed a monetary penalty of Rs.41.80 lakh on Bandhan Bank Limited for contravention of provisions of the Banking Regulation Act, 1949 and non-compliance with certain directions on Know Your Customer. The penalty was imposed by an order dated April 21, 2026. The action follows the Statutory Inspection for Supervisory Evaluation conducted with reference to the bank's financial position as on March 31, 2025, which revealed supervisory findings of non-compliance.

For Fair Practice Code Violation RBI said the bank failed to carry out a periodic review of risk categorisation of certain categories of accounts and had sanctioned director related loans. It clarified that the penalty is based on deficiencies in statutory and regulatory compliance and does not affect the validity of any transactions or agreements entered into by the bank with its customers and is without prejudice to any other action that may be initiated.