



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400 001

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January 31, 2024

Action against Paytm Payments Bank Ltd under Section 35A of the Banking Regulation Act, 1949

In [Press Release dated March 11, 2022](#), the Reserve Bank of India, in exercise of its powers under section 35A of the Banking Regulation Act, 1949, had directed Paytm Payments Bank Ltd (PPBL or the bank) to stop onboarding of new customers with immediate effect.

2. The Comprehensive System Audit report and subsequent compliance validation report of the external auditors revealed persistent non-compliances and continued material supervisory concerns in the bank, warranting further supervisory action.

3. Accordingly, in exercise of its powers under section 35A of Banking Regulation Act, 1949 and all other powers enabling it in that behalf, the Reserve Bank of India, has today directed PPBL as below:

- (i) No further deposits or credit transactions or top ups shall be allowed in any customer accounts, prepaid instruments, wallets, FASTags, NCMC cards, etc. after February 29, 2024, other than any interest, cashbacks, or refunds which may be credited anytime.
- (ii) Withdrawal or utilisation of balances by its customers from their accounts including savings bank accounts, current accounts, prepaid instruments, FASTags, National Common Mobility Cards, etc. are to be permitted without any restrictions, upto their available balance.
- (iii) No other banking services, other than those referred in (ii) above, like fund transfers (irrespective of name and nature of services like AEPS, IMPS, etc.), BBPOU and UPI facility should be provided by the bank after February 29, 2024.
- (iv) The Nodal Accounts of One97 Communications Ltd and Paytm Payments Services Ltd. are to be terminated at the earliest, in any case not later than February 29, 2024.
- (v) Settlement of all pipeline transactions and nodal accounts (in respect of all transactions initiated on or before February 29, 2024) shall be completed by March 15, 2024 and no further transactions shall be permitted thereafter.