



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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November 28, 2024

RBI imposes monetary penalty on Maxvalue Credits and Investments Limited, Thrissur, Kerala

The Reserve Bank of India (RBI) has, by an order dated November 25, 2024, imposed a monetary penalty of ₹4.50 lakh (Rupees Four Lakh Fifty Thousand only) on Maxvalue Credits and Investments Limited, Thrissur, Kerala (the company) for non-compliance with certain directions issued by RBI on '[Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company \(Reserve Bank\) Directions, 2016](#)' read with '[Non-Banking Financial Companies Acceptance of Public Deposits \(Reserve Bank\) Directions, 2016](#)'. This penalty has been imposed in exercise of powers conferred on RBI, under the provisions of Section 58G(1)(b) read with Section 58B(5)(aa) of the Reserve Bank of India Act, 1934.

The statutory inspection of the company was conducted with reference to its financial position as on March 31, 2021. Based on supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the company advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said directions. After considering the company's reply to the notice and oral submissions made during the personal hearing, RBI found, *inter alia*, that the following charges against the company were sustained, warranting imposition of monetary penalty:

The company:

- i) failed to take prior written permission of RBI for change in its shareholding in excess of 26 per cent of the paid-up equity capital;
- ii) redeemed subordinated debts without the consent of RBI;
- iii) accessed public deposits in the form of subordinated debts / non-convertible debentures despite being a non-deposit taking NBFC; and
- iv) failed to make certain disclosures in the Annual Financial Statements.

This action is based on 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. Further, imposition of this monetary penalty is without prejudice to any other action that may be initiated by RBI against the company.