

## Reserve Bank of India has given Restrictions to Paytm Payments Bank

The Paytm Payments Bank has gotten many restrictions from the Reserve Bank of India (RBI) regarding accepting any kind of fresh deposits on this platform.



**New Delhi, Delhi Feb 1, 2024 ([Issuewire.com](https://www.issuewire.com))** - The Reserve Bank of India (RBI) has ordered Paytm to not accept any kind of deposit to the Paytm wallets. RBI has instructed Paytm to stop accepting deposits after the 29th of February 2024. Currently, [Paytm Payments Bank](#) is one of the major payment platforms. Millions of users are using this platform for their daily transactions. According to the order, it will not be able to receive credit transactions, deposits, and fund transfers. UPI (Unified Payments Interface) will not be accessible through this payment platform.

The chief general manager, Yogesh Dayal has said '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, cashback, or refunds which may be credited anytime'. As of now, customers can utilize their balances or make withdrawals through this application. there hasn't been any kind of restriction regarding this for the customers.

Now customers can access their current account, National Common Mobility Cards, FASTags, and prepaid instruments through Paytm. But they do that until their balances are available. In March 2022, RBI asked [Paytm Payments Bank](#) to discontinue accepting new customers. But they didn't follow the instructions. According to the Comprehensive System Audit report and other valid reports, it is coming to know that there have been many cases of non-compliance along with material supervisory concerns in the bank. For that reason, RBI is going to take various other supervisory actions.

Currently, the RBI has taken the case of Paytm Payments Bank under Section 35A of the Banking Regulation Act, 1949. And for that reason, Paytm is taking 'immediate steps' to follow the instruction given by the RBI. It is a company that has been associated with One 97 Communications Limited (OCL). It is a company that doesn't only include Paytm but other payment companies too. As of now, Paytm has only received these instructions from the central bank. Paytm has also given an update recently that says 'Paytm Payments Bank Limited, an associate of Paytm receives RBI directions. Paytm to expand its existing relationships with leading third-party banks to distribute payments and financial services products'.

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