



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

Website : [www.rbi.org.in](http://www.rbi.org.in)

ई-मेल/email : [helpdoc@rbi.org.in](mailto:helpdoc@rbi.org.in)

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

**Department of Communication**, Central Office, Shahid Bhagat Singh Marg, Fort,  
Mumbai - 400 001 फोन/Phone: 022 - 2266 0502



March 30, 2026

**RBI imposes monetary penalty on Nagar Sahakari Bank Limited, Etawah, Uttar Pradesh**

The Reserve Bank of India (RBI) has, by an order dated March 23, 2026 imposed a monetary penalty of ₹3 lakh (Rupees Three Lakh only) on Nagar Sahakari Bank Limited, Etawah, Uttar Pradesh (the bank) for non-compliance with certain directions issued by RBI on 'Loans and advances to directors, their relatives, and firms / concerns in which they are interested', 'Income Recognition, Asset Classification, Provisioning and Other Related Matters – UCBs', 'Exposure Norms and Statutory / Other Restrictions – UCBs' and 'Know Your Customer (KYC)'. This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47A(1)(c) read with Sections 46(4)(i) and 56 of the Banking Regulation Act.

The statutory inspection of the bank was conducted by RBI with reference to its financial position as on March 31, 2025. Based on supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the bank 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 bank's reply to the notice, RBI found, *inter alia*, that the following charges against the bank were sustained, warranting imposition of monetary penalty.

The bank had:

- i. sanctioned director-related loans;
- ii. failed to classify credit facilities of certain borrowers as non-performing assets (NPAs) in accordance with Income Recognition and Asset classification norms;
- iii. breached prescribed regulatory limit for single borrower exposure; and
- iv. failed to upload the KYC records of customers onto Central KYC Records Registry (CKYCR).

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 bank with its customers. Further, imposition of this monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.