

**भारतीय रिज़र्व बैंक**
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June 22, 2026**RBI imposes monetary penalty on Sultanpur Jilla Sahkari Bank Ltd., Uttar Pradesh**

The Reserve Bank of India (RBI) has, by an order dated June 19, 2026, imposed a monetary penalty of ₹3 lakh (Rupees Three Lakh only) on Sultanpur Jilla Sahkari Bank Ltd., Uttar Pradesh (the bank) for contravention of the provisions of Section 26A read with Section 56 of the Banking Regulation Act, 1949 (BR Act) and for non-compliance with certain directions issued by RBI on 'Membership of Credit Information Companies (CICs) by Co-operative Banks' 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 BR Act and Section 25 read with Section 23 of the Credit Information Companies (Regulation) Act, 2005.

The statutory inspection of the bank was conducted by the National Bank for Agriculture and Rural Development (NABARD), with reference to its financial position as on March 31, 2025. Based on supervisory findings of contravention of statutory provisions / 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 provisions and directions. After considering the bank's reply to the notice, additional submissions made by it and oral submissions made during the personal hearing, RBI found, *inter alia*, that the following charges against the bank were sustained, warranting imposition of monetary penalty:

The bank had failed to:

- i. submit credit information of its borrowers to all the four CICs;
- ii. put in place a system of periodic review of risk categorisation of accounts;
- iii. put in place a robust software for effective identification and reporting of suspicious transactions; and
- iv. transfer eligible unclaimed amounts in certain accounts to the Depositor Education and Awareness Fund within the prescribed time.

This action is based on deficiencies in statutory and 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.