



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

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संकेत विभाग, केंद्रीय कार्यालय, सहित नगर विद्युत मार्ग, २२, मुंबई-४००००१  
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October 04, 2023

**RBI cancels the licence of Nagar Urban Co-operative Bank Ltd.,  
Ahmednagar, Maharashtra**

The Reserve Bank of India (RBI), vide order dated October 4, 2023, has cancelled the licence of Nagar Urban Co-operative Bank Ltd., Ahmednagar, Maharashtra. Consequently, the bank ceases to carry on banking business, with effect from the close of business on October 04, 2023. The Additional Secretary & Central Registrar of Cooperative Societies, Ministry of Cooperation, Government of India has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank.

RBI cancelled the licence of the bank as:

- i) The bank does not have adequate capital and earning prospects. As such, it does not comply with the provisions of Section 11(1) and Section 22 (3) (d) read with Section 56 of the Banking Regulation Act, 1949.
- ii) The bank has failed to comply with the requirements of Sections 22(3) (a), 22 (3) (b), 22(3)(c), 22(3) (d) and 22(3)(e) read with Section 56 of the Banking Regulation Act, 1949;
- iii) The continuance of the bank is prejudicial to the interests of its depositors;
- iv) The bank with its present financial position would be unable to pay its present depositors in full; and
- v) Public interest would be adversely affected if the bank is allowed to carry on its banking business any further.

2. Consequent to the cancellation of its licence, Nagar Urban Co-operative Bank Ltd., Ahmednagar, Maharashtra is prohibited from conducting the business of 'banking' which includes, among other things, acceptance of deposits and repayment of deposits as defined in Section 5 (b) read with Section 56 of the Banking Regulation Act, 1949 with immediate effect.

3. On liquidation, every depositor would be entitled to receive deposit insurance claim amount of his/her deposits up to a monetary ceiling of ₹5,00,000/- (Rupees five lakh only) from Deposit Insurance and Credit Guarantee Corporation (DICGC) subject to the provisions of DICGC Act, 1961. As per the data submitted by the bank, 95.15% of the depositors are entitled to receive full amount of their deposits from DICGC. As on March 31, 2023, DICGC has already paid ₹294.85 crore of the total insured deposits under the provisions of Section 18A of the DICGC Act, 1961 based on the willingness received from the concerned depositors of the bank.

Press Release: 2023-2024/1044

(Yogesh Dayal)  
Chief General Manager



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कार्यपालक निदेशक  
Executive Director

DoS.CO.SUCBs-West/S2399/12.22.159/2021-22

December 06, 2021

**Directions under Section 35 A read with section 56 of the Banking  
Regulation Act, 1949 (As Applicable to Co-operative Societies) –  
Nagar Urban Co-operative Bank Limited, Ahmednagar, Maharashtra**

The Reserve Bank of India, in exercise of its powers under sub-section (1) of Section 35A read with section 56 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies), on being satisfied that it is necessary in public interest, hereby directs that Nagar Urban Co-operative Bank Limited, Ahmednagar (hereinafter referred to as "the bank") from the close of business on December 06, 2021 shall not, without prior approval in writing from the Reserve Bank of India, grant or renew any loans and advances, make any investment, incur any liability including borrowal of funds and acceptance of fresh deposits, disburse or agree to disburse any payment whether in discharge of its liabilities and obligations or otherwise, enter into any compromise or arrangement and sell, transfer or otherwise dispose of any of its properties or assets except to the extent and in the manner provided hereunder:

- i. For the present, maximum of ₹10000/- (Rupees ten thousand only) (whether from savings bank, current account, recurring deposit or any other deposit account by whatever name called) may be allowed to be withdrawn by a depositor provided that whenever such depositor is having liability to