



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

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May 10,2007

Shri H.N.Sinor,  
Chief Executive Officer,  
Indian Banks' Association,  
6th Floor, Centre -1,  
World Trade Centre,  
Cuffe Parade,  
Mumbai-400005.

Dear Sir,

**Compromise settlement entered into by banks in fraud cases**

We have examined the issue regarding compromise settlement in cases reported by banks as frauds.

2. It has been decided that Indian Banks' Association may advise the member banks as under:

- i) banks may enter into compromise settlement with wilful defaulters / fraudulent borrowers without prejudice to the criminal case against the borrower and
- ii) All such cases of compromise settlements should be vetted by Management Committee / Board, of the banks.

Yours faithfully,

(P.J.Thomas)  
Deputy General Manager

बैंकिंग परिचालन और विकास विभाग, केन्द्रीय कार्यालय, 12वीं मंजिल, केन्द्रीय कार्यालय भवन, शाहीद भगतसिंह मार्ग, मुंबई-400001  
फैक्स नं. / FAX NO.22705891 टेलीफोन नं / TELEPHONE No. 22651602

DEPARTMENT OF BANKING OPERATIONS & DEVELOPMENT, CENTRAL OFFICE, 12<sup>th</sup> Floor, Central Office Building, Shahid Bhagat Singh Marg, Mumbai-400 001

E-mail : egmtdbodco@rbi.org.in

बैंक हिन्दी से भी संचालन का स्थापना करता है। हिन्दी आवाज है, इसका प्रयोग बढ़ाए।