



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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May 09, 2024

RBI imposes monetary penalty on Thoothukudi District Central Co-operative Bank Ltd., Thoothukudi, Tamil Nadu

The Reserve Bank of India (RBI) has, by an order dated May 06, 2024, imposed a monetary penalty of ₹50,000/- (Rupees Fifty thousand only) on Thoothukudi District Central Co-operative Bank Ltd., Thoothukudi, Tamil Nadu (the bank) for non-compliance with the directions issued by the National Bank for Agriculture and Rural Development (NABARD) on 'Frauds - Guidelines for Classification, Reporting and Monitoring'. This penalty has been imposed in exercise of powers vested in RBI, conferred under the provisions of section 47A(1)(c) read with sections 46(4) (i) and 56 of the Banking Regulation Act, 1949.

The statutory inspection of the bank was conducted by NABARD with reference to its financial position as on March 31, 2023. Based on supervisory findings of non-compliance with NABARD 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 and oral submissions made by it during the personal hearing, RBI found, *inter alia*, that the charge of delay in reporting of fraud to NABARD was sustained, warranting imposition of monetary penalty.

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.

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(Yogesh Dayal)
Chief General Manager