भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

July 25, 2014

RBI penalises 12 banks in the case of
M/s. Deccan Chronicle Holdings Ltd.

The Reserve Bank of India has imposed a monetary penalty on 12 banks as under:

	Name of the Bank	Amount of Penalty (₹ in lakh)
1.	Andhra Bank	10
2.	Axis Bank	15
3.	Canara Bank	10
4.	Corporation Bank	10
5.	HDFC Bank	5
6.	ICICI Bank	40
7.	IDBI Bank	15
8.	IndusInd Bank	10
9.	Kotak Mahindra Bank	10
10.	Ratnakar Bank	5
11.	State Bank of Hyderabad	10
12.	Yes Bank	10

The Reserve Bank had carried out a scrutiny of the loan and current accounts of M/s. Deccan Chronicle Holdings Ltd., in certain branches of these banks in late 2013. Based on the findings of the scrutiny, the Reserve Bank issued show cause notices to these banks in March 2014, to which the individual banks submitted written replies. After considering the facts of each case and the individual bank's reply, as also, the personal submissions etc., by some of the banks before its Committee of Executive Directors, the Reserve Bank came to the conclusion that some of the violations were substantiated and warranted imposition of monetary penalty as determined above.

It may be noted that the penalties have been imposed by the Reserve Bank in exercise of the powers vested in the Reserve Bank under the provisions of Section 47A(1) read with Section 46(4)(i) of the Banking Regulation Act, 1949, taking into account the violations of the instructions/directions/guidelines issued by the Reserve Bank from time to time. This action is not intended to pronounce upon the validity of any transaction or agreement entered into between the concerned bank and the borrower.

Alpana Killawala
Principal Chief General Manager

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