

The Deputy General Manager, Corporate Relationships Dept. BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code 532 477	The Deputy General Manager, Listing Dept. National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. Scrip Symbol/Series-UNIONBANK-EQ
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Madam/Sir,

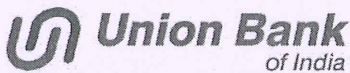
Subject: Clarification on the News Item

With reference to clarification sought on recent news article titled "RBI imposes Rs 1 cr penalty on Union Bank of India for KYC non-compliance", please find below the clarification/confirmation on the same:

1. The information regarding imposition of the penalty of Rs. 10 million has been submitted to stock exchanges vide our letter ISD/17-18/185 dated 01.08.2017. The sequence of events in chronological order is as follows:

- Based on complaint received regarding money laundering by a Group enjoying credit facilities from the Bank, RBI issued Show Cause Notice dated 23.01.2017 calling upon Bank to show cause as to why penalty should not be imposed on it in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act 1949.
- The Bank submitted its reply vide letter dated 08.02.2017.
- The Representatives of the Bank also made oral submission during personal hearing held on 27.06.2017 before Committee of Executive Directors of RBI.
- The reply as well as oral submissions made by the Bank in the personal hearings and also additional documents furnished have not been found adequate by RBI leading to imposition of penalty of Rs.10 million.

2. The amount of the penalty is not material considering the size of the Bank.



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3. The incident of imposition of penalty of Rs. 10 million has come to our knowledge only on 31.07.2017. All the information required to be disclosed under Regulation 30 of SEBI (LODR) Regulations, 2015 has been disclosed within the stipulated time of twenty four hours from the occurrence of event of information.

This is for your information and appropriate dissemination.

Thanking you.

Yours faithfully,

(Dipak D. Sanghavi)
Company Secretary