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**Joint Release**

**Board of Governors of the Federal Reserve System  
Federal Deposit Insurance Corporation  
New York State Banking Department**

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For immediate release

November 14, 2001

Federal and state banking regulators today announced the issuance of a joint Order to Cease and Desist and Order of Assessment of a Civil Money Penalty and Monetary Payment against the State Bank of India, Mumbai, India, and the bank's three branches in New York, New York, its branch in Chicago, Illinois, and its agency in Los Angeles, California.

The State Bank of India, without admitting to any allegations, consented to the issuance of the Order.

The State Bank of India paid a total of \$7.5 million in fines under the Order issued by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the New York State Banking Department. One half of this amount will be paid to the U.S. Department of the Treasury and the other half to the State of New York under applicable federal and state laws.

The fines result from the bank's apparent engagement in unsafe and unsound practices related to its failure to establish and maintain procedures reasonably designed to assure and monitor compliance with the Bank Secrecy Act, violations of the FDIC's regulations relating to Bank Secrecy Act compliance, failure to maintain correct and accurate books and records, and violations of New York State law relating to the bank's obligation to maintain accurate books and records and to make reports to the New York State Banking Department.

A copy of the joint consent Order is attached.

Attachment:

[The joint consent Order](#)

PDF File ( 884 KB File - [PDF Help](#) or [Hard Copy](#))

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