

[IDBI Bank](#) and [Vijaya Bank](#) today said they have exposures to Pune-based [real estate](#) developer D S Kulkarni, which is facing multi-agency probe for illegal fund diversions, but the loans were sanctioned in compliance with the [RBI](#) norms.

[IDBI Bank](#) in a regulatory filing said it has an exposure of Rs 471.8 million to [D S Kulkarni Developers Ltd.](#)

The exchange had sought clarifications from the two [banks](#) over reports that Economic Offence Wing Financial Audit found five nationalised banks, including [IDBI](#) and Vijaya Bank, flouted [RBI](#) norms while sanctioning Rs.6 billion loans to realtor [D S Kulkarni](#).

"The Bank is not in possession of the Forensic report prepared by EOW and hence the Bank is not in a position to comprehend which specific [RBI](#) norms are alleged to have been flouted," IDBI Bank said.

Prima-facie there appears to be no flouting of norms while sanctioning and disbursing the loan by IDBI, it said.

The loan was sanctioned in compliance of all RBI norms and in consortium with SBI as lead, it said, adding, the disbursements were made to the escrow account maintained with lead bank (SBI) based on request of the company.

[Vijaya Bank](#) said loan facilities were sanctioned to [D S Kulkarni](#) in convention manner after duly complying with all the applicable RBI norms.

"The facility is under consortium with SBI as the leader bank and [Vijaya Bank](#) share in the consortium is 4.17 per cent," Vijaya Bank said.

However, [United Bank of India](#) said it does not have any exposure and never had in the past any exposure in [D S Kulkarni Developers Ltd.](#)

Economic Offence Wing of Pune police arrested Bank of Maharashtra's MD and CEO Ravindra Marathe and other top officials of the bank last week in connection with a cheating case lodged against D S Kulkarni and his wife Hemanti.

Yesterday, a special sessions court in Pune had reserved its order on the bail plea of Marathe, after his counsel argued that the top banker's arrest was "illegal" as the police had failed to secure the prior permission from the [Reserve Bank of India](#) (RBI).