

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2003
ANSWERED ON:02.12.2011
DHANALAKSHMI BANK SCAM
Yadav Shri Ranjan Prasad

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any reports of allegation of fudging of accounts by Dhanalakshmi Bank.;
- (b) if so, the details thereof;
- (c) whether any investigation has been carried out by the Reserve Bank of India (RBI) in this regard;
- (d) if so, the details thereof;
- (e) the findings of such investigation; and
- (f) the steps taken / being taken by the Government / RBI to protect the interests of the customers of the said banks?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) & (b): Reserve Bank of India (RBI) has received a number of complaints against the Bank during the year 2010-11.

(c) to (f): RBI has conducted an Annual Financial Inspection (AFI) of the Dhanalakshmi Bank as on 31.03.2011. RBI has forwarded the report of AFI 2011 to the Bank advising to place it before their Board and to submit compliance on the findings of the AFI. The findings of AFI and issues raised in the complaints were discussed by RBI with the management of the Bank. The Bank has been subsequently advised to place the issues raised during the meeting before their Board. A senior official of RBI has been appointed as an Observer on the Board of the Bank.