

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3411
ANSWERED ON:30.08.2013
SCHEME TO CHECK BANK IRREGULARITIES
Lal Shri Kirodi

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has introduced / proposes to introduce any specific scheme aimed at unearthing irregularities and scams in private / foreign banks;
- (b) if so, the details and the salient features thereof; and
- (c) the time by which the said scheme is likely to be implemented?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): Government has not introduced / proposed to introduce any specific scheme aimed at unearthing irregularities and scams in private / foreign banks. However, the Reserve Bank of India (RBI) as the statutory regulator and supervisor of the banks has been suitably empowered under the Banking Regulation Act, 1949 to regulate and supervise banks. RBI has also been empowered to impose monetary penalty for the violation of the provisions of the Banking Regulation Act, 1949. Using the powers given under the Banking Regulation Act, 1949, RBI has recently imposed monetary penalty on certain banks for violation of RBI instructions, inter-alia, on Know Your Customer / Anti-Money Laundering.