

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1445

ANSWERED ON:13.12.2013

MONEY LAUNDERING

Dhotre Shri Sanjay Shamrao; Mahtab Shri Bhartruhari

Will the Minister of FINANCE be pleased to state:

- (a) the number of cases of money laundering detected during each of the last three years and the current year, State/UT wise;
- (b) whether the Government/Inter-Ministerial Group (IMG) has asked the Reserve Bank of India (RBI) to compulsorily share its inspection reports where it has detected cases of black/illegal money transactions, with the Central Bureau of Investigation (CBI) and Financial Intelligence Unit (FIU) in the recent past;
- (c) if so, the details thereof along with the reaction of the RBI thereto;
- (d) the number of such cases reported by the RBI to the CBI/FIU till date along with the action taken by the CBI/FIU thereon; and
- (e) the other corrective steps taken/being taken by the Government to curb the menace of money laundering in the country?

Answer

MINISTER OF STATE REVENUE IN THE MINISTRY OF FINANCE (SHRI J.D. SEELAM)

- (a) The number of cases of money laundering detected by Directorate of Enforcement are, as per (Annexure-I).
- (b) Yes Sir.
- (c) Based on specific requests from Government of India and various Law Enforcement Agencies, Reserve Bank India (RBI) has furnished to Government Departments the relevant portions of their inspection reports and speaking order passed by them against banks.
- (d) The extracts from the inspection reports and Speaking Orders passed by RBI against 32 banks, which relates to violations of Prevention of Money Laundering Act, 2002 and Prevention of Money Laundering Rules, 2005 observed by them during the scrutiny conducted in those banks, were passed on to Financial Intelligence Unit-India (FIU-IND).
- (e) The Thematic Review has been undertaken by RBI in selected banks to study their existing systems for adherence to KYC/AML guidelines and various other business like sale of gold coins & third party products, Private Banking & Wealth Management and cross border remittances etc.