

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:805
ANSWERED ON:24.02.2006
IRREGULARITIES IN PRIVATE/ FOREIGN BANKS
Chaudhary Shri Pankaj

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken any decision to introduce a special scheme with a view to unearthing the irregularities and scams in private and foreign banks;
- (b) if so, the details thereof; and
- (c) the time by which the above scheme is likely to be implemented?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : Reserve Bank of India(RBI) has proposed introduction of Protected Disclosures Scheme for Private Sector and Foreign Banks`. The scheme envisages reporting of cases of corruption, misuse of office, criminal offences, suspected/actual frauds, failure to comply with rules and regulations etc. in private and foreign banks by employees, customers, shareholders and Non-Government Organizations (NGOs) to Reserve Bank of India for appropriate action. Government has advised RBI to give wide publicity to the scheme inviting views/ suggestions from all concerned including public before the scheme is finalized. RBI has placed the draft scheme on its website www.rbi.org.in on 25th January, 2006 inviting views/ suggestions on the proposed scheme within two months.