

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1377

TO BE ANSWERED ON THE 22ND DECEMBER, 2017/ PAUSHA 1, 1939(SAKA)

Raids on PSBs

1377. *SHRI SHRIRANG APPA BARNE:* *SHRI ANANDRAO ADSUL:*
SHRI VINAYAK BHAURAO RAUT: *SHRI ADHALRAO PATIL SHIVAJIRAO:*
SHRI DHARMENDRA YADAV:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government agencies have recently raided some Public Sector Banks (PSBs) and if so, the details thereof and the reasons therefor along with the value of estimated loss caused by the irregular transactions involving the said banks;
- (b) whether the action has been taken against the officials involved in the said irregularities and if so, the details thereof along with the steps taken/being taken by the Government to check such irregularities;
- (c) whether with a view to promote banking services in remote areas the Government proposes to use the fair price shops under Public Distribution System and if so, the details in this regard; and
- (d) whether the Government has considered about security in financial transactions in the said process and if so, the details in this regard along with the time by which the said facility is likely to be implemented?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a) & (b): Public Sector Banks have reported that there have been no raids by Government agencies on them in the current financial year. However, Bank of Baroda has reported that on 7.3.2017, Central Bureau of Investigation (CBI) caught a Branch Head allegedly accepting bribe from a borrower customer. The concerned official was arrested on 7.3.2017 and suspended by the bank on 10.3.2017. Bank of Baroda has further reported that there is no direct financial loss to the bank from the said transaction.

(c) & (d): Standard Operating Procedure (SOP) has been issued for acquisition of Fair Price Shops as Business Correspondents (BCs), which, inter-alia, refers to Reserve Bank of India (RBI) circular dated 28.09.2010 on "Financial Inclusion by Extension of Banking Services- Use of Business Correspondents (BCs)". The said circular provides the instructions relating to KYC Norms, Customer confidentiality, Information Technology Standards and Transactions put through BC, to ensure security of transactions in this process.
