

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UN-STARRED QUESTION NO 1251

TO BE ANSWERED ON THE 10th February, 2020 (Monday)/ Magha 21, 1941 (Saka)

Bank Advisory Board

1251. SHRI A. GANESHAMURTHI:

SHRI T.R. BAALU:

SHRI PALLAB LOCHAN DAS:

Will the **Minister of FINANCE** be pleased to state:

- (a) whether the Union Government has constituted a five-member Advisory Board to vet all alleged frauds of a magnitude of at least Rs.50 crore in State-run banks and public financial institutions before these are referred to investigative agencies;
- (b) if so, the details thereof including the role, functions and powers of the Advisory Board; and
- (c) the details of the standard guidelines and eligibility to become head and members of the said Advisory Board?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR)

(a) to (c) The Central Vigilance Commission(CVC) in August, 2019 had constituted “Advisory Board for Banking Frauds (ABBF)”. Subsequently in January, 2020, in view of the increasing complexities and issues arising or difficulties being faced in technical matters, partial modification has been made by the Commission and the Board has been renamed as “Advisory Board for Banking and Financial Frauds” consisting of five members (including Chairman).The tenure of the present Board would be for a period of two years.

The present “Advisory Board for Banking and Financial Frauds” shall:

- i. function as the first level examination, in respect of officials in the rank of General Manager and above in Public Sector Banks and equivalent thereof in Public Sector Financial Institutions in case of frauds amounting to more than Rs.50 crores, before such organizations initiate action in matters of allegations of banking and financial frauds;
- ii. tender advice in respect of such officers as mentioned in (i) above, under all relevant laws, including all composite cases.

The Chairman and its members have been appointed by the CVC. The Chairman of the Advisory Board presently is a retired Chief Executive of a Public Sector Bank and former Vigilance Commissioner and the other members are also retired senior officers from IAS, IPS and Chief Executives of Public Sector Banks.
