

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 1400

TO BE ANSWERED ON THE 4th March, 2016/ Phalguna 14,1937 (SAKA)

Banks Internal Audit

QUESTION

1400. SHRI S. SELVAKUMARA CHINNAYAN:

SHRI PR. SENTHIL NATHAN:

SHRI P. NAGARAJAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has instructed all banks to conduct through internal audit and place the report before their respective audit committee to check fraudulent foreign exchange transaction;
- (b) if so, the details thereof;
- (c) whether any fraudulent foreign exchange transaction has been reported by any bank to RBI; and
- (d) if so, the details thereof, bank-wise?

ANSWER

The Minister of State in the Ministry of Finance

(SHRI JAYANT SINHA)

(a) & (b) : Reserve Bank of India (RBI) has instructed select Scheduled Commercial Banks (SCBs) vide its circulars DBS(CO).PPD/5119/11.01.021/2015-16 dated 28.10.2015 and DBS.CO.PPD/5974/11.01.021/2015-16 dated 23.11.2015 regarding irregularities observed in import & export transactions, to arrange a detailed internal audit of all the Authorised Dealing (AD) branches where such remittances have gone up significantly during the last two to three years.

(c) & (d) : The replies of the banks received by RBI are under examination for identification of fraudulent transactions, if any.

Sample Only