

No. of frauds	Amount involved (Rs. in crores)
2339	40.25 approx.

The Reserve Bank of India has reported that the amount involved in frauds does not necessarily represent the amount of loss to the banks since the banks will have securities with them to cover advances made by them. Besides, banks file civil and criminal suits to seek appropriate relief.

(c) Information regarding the number of cases in which the accused are chargesheeted before criminal courts is not readily available. However, as per available information, 100 employees of public sector banks have been convicted during the years 1982, 1983 and 1984 (upto 30.6 84) for their involvement in frauds.

(d) All banks have internal inspection and vigilance machineries. The inspectors inspect all branches at periodical intervals. The vigilance machineries of the banks also carry out inspection/investigation when irregularities come to their notice. Whenever a fraud is detected by a bank or brought to its notice, the bank takes up a preliminary investigation and based on the findings, decides to conduct a thorough investigation departmentally or hands over the case to the local police/CBI. On the basis of departmental/CBI/police investigations, banks award punishment to their staff or launch prosecution against those who are found to be responsible for the frauds or whose lapses/negligence facilitated the commission of fraud (s).

Opening of new regional rural banks in Madhya Pradesh

805. SHRI PRATAP BHANU SHARMA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have cleared few new Regional Rural Banks in Madhya Pradesh to be opened during the current financial year; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Government have approved a proposal for setting up a regional rural bank to cover districts of Gwalior and Datia in Madhya Pradesh during the current financial year. The Central Bank of India, the sponsor bank for this regional rural bank, has been asked to take further necessary action in the matter.

Giving of credit by banks towards housing loans

806. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the nationalised banks are not expected to give more than one percent of the total credit towards housing loans;

(b) whether it has come to the notice of Government that this direction is coming in the way of faster expansion of housing programme; and

(c) if so, whether Government propose to raise this limit to at least three percent ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) According to the existing guidelines issued by Reserve Bank of India on housing finance, scheduled commercial banks are expected to grant loans to the extent of 0.5% of the total advances as on particular date of the previous year for house construction activities to the eligible category of borrowers. At present there is no proposal with the Government to raise the share of advances of housing finance in total credit.

Decision by special cell on excise matters of M/s Indian Tobacco Co.

807. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to State :