

7. Shri Mahadev Jalan, Jalannagar, Dibrugarh, Assam.
8. Shri R. Krishna Kumar, Vice President, M/s. Tata Tea, Cochin.

Persons representing manufactures of tea :

1. Shri N. Guha, MD, Tea Trading Corporation of India, Calcutta.
2. Shri Mumtaz Ahmad, M/s. Mclod Russel (I) Ltd., Calcutta.

Persons representing dealers :

1. President, Gujarat Tea Traders Association.
2. Shri R.L. Rikhye, Vice President, M/s. Machoill & Magor Ltd., Calcutta.

Persons representing employees of tea estates and gardnes :

1. Shri P.L. Subbiah, President, Nilgiri Distt. Estate Workers Union, Coimbatore.
2. Shri P. Sen Mazumdar, President, Indian Tea Employees Union, P.O. Silchar, Cachar Distt., Assam.
3. Shri D. Narbula, Joint General Secretary, National Union of Planters Workers, P.O. Birpara, Distt. Jalpaiguri, West Bengal.
4. Shri K.A. Sivarama Bharty, President, Hind Mazdoor Sabha (Kerala), Karampotta, P.O. Kozhinjampara, Distt. Palghat, Kerala.
5. Shri Nani Bhattacharya, Vice-President, United Traders Union Congress, 249, Bepin Behari Gangui Street, (First Floor) Calcutta-700012.

Persons representing consumers :

1. Dr. Ashis Nutta, Bhabananda Road, Calcutta-26.
2. Shri R. Hanumant Rao, No. 6-472, Bazar Road, Cochin.

Persons representing other interests :

1. Shri H.P. Baruah, Chairman, Tea Research Association, Calcutta.

2. Shri Surendra Singh, Principal Secretary, Industries, Government of Uttar Pradesh, Lucknow.

(c) The Central Government appoints members of Tea Board on the basis of the following criteria as provided under the Tea Act, 1953 and the Tea Rules, 1954 :

- (i) Six membrs of six principal tea growing states namely, Assam, West Bengal, Tripura, Tamil Nadu, Himachal Pradesh and Kerala;
- (ii) three members of Parliament (2 from Lok Sabha and 1 from Rajya Sabha);
- (iii) eight persons representing owners of tea estates and gardens and growers of tea;
- (iv) five persons representing persons employed on tea estates and gardens;
- (v) two persons representing dealers;
- (vi) two persons representing manufacturers of tea;
- (vii) two persons representing consumers;
- (viii) two persons representing other interests.

Frauds in Nationalised Banks]

4380. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether there is a sharp increase in the amount involving frauds in the banks, from Rs. 29.75 crores in 1983 to Rs. 45.75 crores in 1984, Rs. 53.49 crores in 1985 and an additional amount of Rs. 61 crores involved in frauds detected in the foreign branches of Indian banks;

(b) if so, the details about each one of the nationalised banks in this regard; and

(c) the steps taken to eliminate the bank frauds and whether any high level enquiry would be ordered to look into all aspect of this problem and the likely date by which it would be done ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve

Bank of Indfa has reported that the information in respect of total number of cases of frauds in India and outside India, as reported to it by the 28 public sector banks,

and the amounts involved therein for the years 1983, 1984, 1985, 1986 and 1987 (upto 30.9.87), irrespective of the dates of occurrence, are as indicated below :

Year	No. of frauds (in India)	No. of frauds (outside India)	Amount involved (Rs. in crores) (in India)	Amount involved (Rs. in crores) (outside India)
1983	2360	11	29.75	0.45
1984	2410	59	45.18	0.56
1985	2157	32	53.49	61.14
1986	1822	31	44.42	17.63
1987 (upto 30.9.87)	1456	12	23.47	4.66

(Data provisional)

The amounts involved as indicated above do not necessarily represent the actual losses which the banks may have to suffer ultimately since banks generally have some securities, insurance policies and make recoveries through civil suits etc.

(b) Banks-wise details regarding number of frauds and amount involved therein (both within the country and outside the country) for the years 1983, 1984, 1985, 1986 and 1987 (upto 30.9.87) are given in the statement below.

(c) Reserve Bank of India has reported that banks have books of instructions indicating precautions/checks which their staff should observe to prevent occurrence/recurrence of frauds. Banks are also taking steps to strengthen the control mechanisms, including the internal audit/inspection

machinery, and to make them effective, so as to eliminate the scope for frauds and malpractices. Banks have also been taking a serious view of irregularities committed by the employees and initiate action to inflict punishment befitting the seriousness of the irregularities committed by the delinquent employees. RBI has also been circulating to banks details of frauds of ingenious nature and advising banks to adopt safeguards. The need for obtaining proper and effective introduction when new accounts are opened has also been restressed. RBI has also set up a special investigating cell to undertake special investigation and scrutiny into reported cases of major frauds as well as snap inspections covering systems, procedures and control arrangements in identified fraud prone areas. In view of the above, no high level inquiry in the matter is felt to be necessary.

Statement

Bankwise details in respect of Public Sector Banks regarding number of frauds and amount involved therein (both within the country and outside the country) for the years 1983, 1984, 1985, 1986 and 1987 (upto 30.9.87)

Name of the Bank	1983		1984		1985		1986		1987 (upto 30.9.87)	
	No. of frauds	Amount involved	No. of frauds	Amount involved	No. of frauds	Amount involved	No. of frauds	Amount involved	No. of frauds	Amount involved
1	2	3	4	5	6	7	8	9	10	11
<i>In India</i>										
1. State Bank of India	503	948.72	641	621.82	501	986.12	527	438.08	439	315.98
2. State Bank of Bikaner & Jaipur	29	114.35	41	41.53	24	95.01	23	250.44	19	18.00
3. State Bank of Hyderabad	24	8.50	26	371.12	15	42.79	26	96.68	12	30.99
4. State Bank of Indore	4	27.98	45	263.20	13	672.60	17	37.35	32	154.07
5. State Bank of Mysore	7	2.38	19	17.59	20	145.26	27	50.36	27	41.55
6. State Bank of Patiala	21	1.47	29	29.96	34	28.35	14	14.60	13	416.08
7. State Bank of Saurashtra	11	5.89	18	43.58	8	25.34	14	46.06	6	37.67
8. State Bank of Travancore	33	5.92	23	3.23	20	91.87	15	105.09	20	44.09
9. Allahabad Bank	23	25.54	24	6.61	95	46.13	60	386.84	28	10.91
10. Andhra Bank	48	34.66	38	326.17	34	196.90	14	12.14	19	19.16

(Rupees in lakhs)

	1	2	3	4	5	6	7	8	9	10	11
11. Bank of Baroda	185	262.70	149	954.75	82	42.11	80	361.64	71	136.32	
12. Bank of India	181	49.35	181	207.60	110	117.35	104	76.70	76	160.56	
13. Bank of Maharashtra	21	3.93	40	10.06	36	13.86	18	318.62	28	15.01	
14. Canara Bank	194	55.88	163	83.78	157	214.82	132	162.31	111	107.91	
15. Central Bank of India	90	166.93	104	43.86	107	116.68	90	346.64	68	67.70	
16. Corporation Bank	34	24.83	32	26.39	50	87.63	16	54.59	8	6.26	
17. Dena Bank	56	19.22	51	49.03	59	79.27	44	74.88	17	7.65	
18. Indian Bank	39	20.76	42	7.06	60	100.51	37	47.10	13	29.74	
19. Indian Overseas Bank	130	79.00	98	21.92	77	47.52	83	32.30	34	178.90	
20. New Bank of India	20	45.10	13	90.14	16	17.42	25	133.42	11	18.96	
21. Oriental Bank of Commerce	17	89.84	16	11.42	14	421.43	14	11.08	77	13.99	
22. Punjab National Bank	285	724.54	288	1006.49	292	1400.63	108	360.74	40	116.38	
23. Syndicate Bank	114	17.71	94	150.33	103	164.83	84	260.71	203	127.98	
24. Punjab & Sind Bank	28	119.90	22	25.61	14	15.82	11	203.49	10	55.76	
25. Union Bank of India	100	99.43	91	53.42	83	66.76	88	196.44	72	129.68	
26. United Bank of India	33	20.22	13	5.28	28	12.31	59	298.71	34	51.64	
27. UCO Bank	74	54.61	75	33.55	58	73.17	59	50.27	27	19.49	
28. Vijaya Bank	56	26.79	34	12.92	47	25.53	33	14.50	11	14.82	
Total	2360	2975.25	2410	4518.42	2157	5348.02	1822	4441.78	1456	2347.25	

	1	2	3	4	5	6	7	8	9	30	11
<i>Outs de India</i>											
1. State Bank of India	—	—	—	5	1.81	8	5.00	6	1.22	—	—
2. Bank of India	4	18.90	1	1	0.30	1	0.03	6	361.83	3	452.76
3. Bank of Baroda	3	0.53	49	44.65	15	66.55	11	14.06	8	13.27	—
4. Indian Bank	1	20.08	—	—	—	—	—	1	53.51	—	—
5. Indian Overseas Bank	3	5.35	3	0.63	5	38.38	3	107.87	—	—	—
6. Central Bank of India	—	—	1	9.03	1	5985.00	—	—	—	—	—
7. UCO Bank	—	—	—	—	2	19.03	1	7.75	1	0.10	—
8. Syndicate Bank	—	—	—	—	—	—	—	1	0.15	—	—
9. Punjab National Bank	—	—	—	—	—	—	—	2	1216.61	—	—
Total	11	44.86	59	56.42	32	6113.99	31	1762.90	12	466.13	

(Data provisional)