

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2509
ANSWERED ON:10.03.2000
FRAUD CASES IN NATIONALISED BANKS
NARESH KUMAR PUGLIA;SHAMSHER SINGH DULLO

Will the Minister of FINANCE be pleased to state:

- (a) the particulars of officers/employees of various nationalised banks in the country against whom cases have been registered for their involvement in committing frauds in the banks during the last three years bank-wise;
- (b) the amount involved in these bank frauds, bank-wise;
- (c) the action taken against them by the Government; and
- (d) the measures taken or proposed to be taken to check such frauds?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a), (b) & (c) :- Statements showing the bank-wise position of action taken against the delinquent employees of public sector banks for their involvement in frauds and bank-wise details of number of frauds and amount involved therein during the years 1996, 1997, 1998 and 1999 (upto June, 1999) as reported by Reserve Bank of India (RBI) are given in Annexures I and II respectively.

(d) : Banks are implementing comprehensive guidelines issued by RBI regarding prevention of frauds which inter-alia include strengthening of internal control mechanisms, review of fraud cases on continual basis, undertaking concurrent audit covering branches accounting for 50 per cent of bank's business, scrutiny of cash deposits and withdrawals of Rs.10 lakhs and above, improving housekeeping and imparting training to operational personnel.