

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2664
ANSWERED ON:19.12.2003
BANK FRAUDS
BOLLA BULLI RAMAIAH

Will the Minister of FINANCE be pleased to state:

- (a) whether a huge amount of cash went missing under mysterious circumstances from premises of Karol Bagh branch of Corporation Bank in the first week of September, 2003;
- (b) if so, the result of enquiry held in this regard;
- (c) whether many cases of frauds in banks in which employees of the banks were involved have come to notice during last one year; and
- (d) if so, the number of such cases came to the notice of the Government and the number of bank employees found guilty?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) & (b):- Corporation Bank has reported that a cash box containing Rs.20 lakh was found missing on 2.9.2003 when a remittance to Mahipalpur branch of their bank was being arranged. The bank has lodged a complaint with Karol Bagh Police Station the same day. The bank has also initiated a departmental enquiry in the matter.

(c) & (d):- The Public Sector Banks have reported to Reserve Bank of India (RBI) the involvement of their employees in some cases of frauds. The present system of information on frauds does not permit RBI to collate the information relating to number of cases of frauds in which the employees of the banks were involved. However, during the year 2002 Public Sector Banks have convicted 119 employees, awarded major/minor penalties to 1491 employees out of which 424 employees were dismissed/ discharged/ removed, for their involvement in fraud cases.