

(b) and (c) Does not arise.

Fraud in Punjab National Bank

2599. SHRI RAMSAGAR RAWAT :

SHRI NARESH PUGLIA :

SHRI RAMDAS ATHAWALE :

SHRI VARKALA RADHAKRISHNAN :

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Vigilance Commission had submitted an adverse report against some top officers of the Punjab National Bank;

(b) if so, the details thereof;

(c) the action taken by the Government against them;

(d) whether CBI has completed its investigation in respect of fraud in Punjab National Bank;

(e) if so, the details thereof; and

(f) the action taken by the Government against the persons found guilty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) to (f) The Central Vigilance Commission (CVC) which was consulted in the matter of accountability of Shri Rashid Jilani, Chairman and Managing Director (CMD), Punjab National Bank (PNB) and the then Managing Director (MD), PNB Caps. in certain allegedly irregular securities transactions during the period April 1991 to May 1992, advised that Government may consider termination of appointment of the board level executives of the bank including Shri Rashid Jilani besides referring the case to Central Bureau of Investigation (CBI) for investigation. The matter was considered in consultation with the Reserve Bank of India (RBI) and it was decided to refer the matter to CBI for investigation. The CBI has since registered a Preliminary Enquiry in the matter.

The CBI had also registered a Regular Case against CMD, PNB, the Ex. MD of PNB Caps. and others in the matter relating to irregularities in sanction of short term deposit/bridge loan to two companies by PNB Caps. aggregating Rs. 13 crores which was later written off. PNB has reported that PNB Caps. has filed winding up petitions against Willard India Ltd. and Solaron Industries Ltd. and that a sum of Rs. 2.10 crores has already been realized.

It has been decided not to reappoint Shri Rashid Jilani, CMD, PNB beyond his present term which has expired on 06.03.2000.

MR. SPEAKER : The House stands adjourned to meet again at 2. P.M.

11.07.hrs.

*The Lok Sabha then adjourned till
Fourteen of the clock.*

14.00 hours

*The Lok Sabha re-assembled at
Fourteen of the Clock.*

[SHRI K. YERRANNAIDU in the Chair]

[Translation]

(Interruptions)

DR. RAGHUVANSH PRASAD SINGH (Vaishali) : Mr. Chairman, Sir, the Governor of Bihar has not come back yet and horse-trading is going on there. . . (Interruptions)
50 Lakh rupees. . . (Interruptions)

SHRI RAJO SINGH (Begusarai) : Mr. Chairman, Sir. Please give me an Opportunity to speak for a minute. . . (Interruptions)

[English]

MR. CHAIRMAN : Shri Dasmunsi, please cooperate with the Chair.

SHRI PRIYA RANJAN DASMUNSI (Raiganj) : Sir, he is an affected Member. Please allow him to make his submissions. . . (Interruptions)

SHRI AJOY CHAKRABORTY (Basirhat) : Sir, his son is being threatened. . . (Interruptions)

MR. CHAIRMAN : Please wait. Let the Papers be laid on the Table of the House.

14.01.hrs.

PAPERS LAID ON THE TABLE

[English]

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABH BHAI KATHIRIA) : Sir, on behalf of Shri Manohar