

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 2529

TO BE ANSWERED ON 13th DECEMBER, 2021(MONDAY)/ AGRAHAYANA 22, 1943(SAKA)

Wrong Doings of Bank Employees

2529. SHRI S. MUNISWAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether there is a necessity of having uniform laws for punishments for any wrong doings to the employees of the public sector banks as some employees have suffered beyond limit and are just running from pillar to post for justice in a few of the public sector banks;

(b) if so, whether the Government has taken cognizance of the cases where the employees have suffered due to the mistakes of the competent authorities for taking a call on any violations of the laws and if so, the details thereof; and

(c) whether the Government has inclined to consider and revive the punishments given in such cases including Union Bank of India and Canara Bank and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a) to (c): Banks are statutory entities established under the Act and their employees are governed by the provisions of the respective Act/Rules/Regulations and policy decisions approved by the Board of respective banks, *inter-alia*, conditions of service, including punishment awarded against banks employees. Banks also have a well-defined procedure, approved by their respective Boards, related to imposition of penalties against lapses / irregularities /wrong doings to the employees, treating them at par without discrimination. Further, the Government, in consultation with Central Vigilance Commission, has finalized a consolidated Staff Accountability Framework for Non-Performing Assets (NPAs) accounts upto Rs. 50 crores, other than fraud cases. Public Sector Banks (PSBs) have been advised to suitably revise their respective Staff Accountability Policy and other relevant policies, as required, within this framework with approval of their respective Boards. The staff accountability framework is aimed at protecting bona-fide decisions taken by the Bank officers/workmen while ensuring accountability for wrongdoing or inaction. It is meant to identify and punish only those Bank officers/workmen who are prima facie responsible for the lapses of non-compliance with laid down systems and procedures or misconduct and/or non-adherence to the 'due- diligence' norms.

Any aggrieved employee, in view of Central Vigilance Commission's vigilance manual, 2017, irrespective of caste or any other factors, may prefer an appeal against the order of punishment, to Disciplinary / Review / Appellate authority to take independent decision based on the facts and merit of the case.
