

(b) if so, what are the details thereof and what steps have been taken by Reserve Bank of India for violation of the statutory requirements;

(c) whether it is also a fact that the premises for these area offices have been leased from person who are family members and relatives of the Ex-Chairman Shri Inderjit Singh and other senior executives of the Bank;

(d) whether Government are aware that rents for these premises are simply exorbitant; and

(e) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (e) The Board of Directors of the Punjab and Sind Bank resolved in April, 1981 to increase the number of area offices of the Bank from 19 to 27. The proposal was thereafter referred to the Reserve Bank for its approval. The proposal was accepted by the Reserve Bank in respect of seven centres. It is a fact that in the intervening period the Bank had already, in anticipation, taken action to open centres at seven places. This was duly taken note of by the Reserve Bank of India and in view of the fact that the area office at one of the Centres had not been approved by the Reserve Bank, the Punjab and Sind Bank was directed by the Bank to discontinue that area office.

None of the existing premises for these area offices are reported to have been leased from persons who are family members or relatives of the former Chairman of the Bank or other senior executives. However, in the case of one area office the bank had entered into an agreement with the wife and sister-in-law of an Assistant General Manager of the Bank for the construction of new premises in which the area office is to be shifted. The bank has also reported

that the rent for these premises is not considered more than the market rent prevailing in the relevant area.

### **Irregularities and questionable transactions in the Punjab and Sind Bank**

249. SHRI M. KALYANASUNDARAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has recently ordered an inquiry into the irregularities and questionable and fraudulent transactions in the Punjab and Sind Bank;

(b) if so, what are the details thereof, and whether any report on the inquiry has since been received by Government; and

(c) if so, what action has been taken thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c) On receipt of information regarding certain alleged irregularities in the working of Punjab & Sind Bank, Reserve Bank of India took up in November, 1981 scrutiny of the books and accounts at some of the branches of the bank. In the course of discussion in this House on 9-12-1981 some allegations had been brought to the notice of Government. The Reserve Bank of India has been requested to look into these also. The Reserve Bank of India's findings will become available as soon as the scrutiny has been finalised.

### **Purchase of accommodation by Punjab and Sind Bank in Rajendra Place, New Delhi**

250. SHRI M. KALYANASUNDARAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Punjab and Sind Bank has purchased a large portion of floor area in the building known as "Bank House" in Rajendra Place, New Delhi;