

Financial Services on the issue of pay fixation of Ex-servicemen re-employed in Public Sector Banks (PSBs). The Indian Banks' Association (IBA) vide their circular letter NO.HR&IR/CIR/2013-14/589/8764 dated 30.01.2014 has circulated comprehensive guidelines to all Chief Executive Officers (CEOs) of PSBs with advise to follow these guidelines uniformly to avoid disparity in pay fixation across the PSBs. However, the All India Ex-servicemen Bank Employees Federation (AIEExBEF) continued to make representation with a request to revise the guidelines. Accordingly, the matter was taken up with IBA for examination. However, a final decision can only be taken after consultation with DoP&T, Ministry of Defence, Department of Public Enterprises, since it may have wider implication for other Financial Institutions/Public Sector Banks etc.

Corruption cases against bank officials

1354. SHRI SANJAY SETH: Will the Minister of FINANCE be pleased to state:

- (a) whether Central Vigilance Commission (CVC) has tendered its advice for sanction for prosecution of Public Sector Banks (PSBs) officers/officials involved in corruption cases under the Prevention of Corruption Act, 1988;
- (b) if so, the number of corruption cases registered against officers/staff of PSBs during each of the last three years and number of officers punished or undergoing trial; and
- (c) whether Government has any plan to make banking sector as an ideal department by taking zero tolerance on corruption, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (c) As per guidelines issued by Government, the Central Vigilance Commission (CVC) tenders advice in cases of prosecution of Presidential appointees. In cases investigated by the Central Bureau of Investigation (CBI) against any Presidential appointee, the CBI forwards the final report of the investigation to the CVC and to the administrative Ministry/Department concerned. In cases where an authority other than the President is competent to sanction prosecution under Prevention of Corruption Act, 1988 and the concerned disciplinary authority does not propose to accord the sanction sought for by the CBI, or any other investigating agency, the case will be reported to the CVC and the concerned authority will take further action after considering the CVC's advice.

CBI had sought sanction for prosecution in respect of 801 officers/staff of Public Sector Banks (PSBs) which included Presidential appointees and other than Presidential appointees in 2017, 2018 and 2019 and upto Jan, 2020. CBI has reported that requests in respect of 139 officers/staff of PSBs during this period have been declined. In cases where sanction is declined, the advice is tendered in consultation with CVC. The details of cases registered in CBI against officers/staff of PSBs and the number of officers/staff of PSBs punished/convicted or undergoing trial during last three years is as under:

Year	No. of cases Registered	No. of officers/ staff of PSBs punished/ convicted	No. of officers/staff of PSBs under Trial (as on 1st January of the respective years)
2017	200	127	2708
2018	148	137	2673
2019	136	143	2633
2020 (upto 31.01.20)	11	6	2593
TOTAL	495	413	-

Source: CBI

Government, in pursuance of its commitment to "Zero Tolerance Against Corruption" has taken several measures to combat corruption which, *inter-alia*, include key reforms in PSBs as part of PSBs Reforms Agenda such as:

- (i) Board-approved Loan Policies of PSBs now mandate tying up necessary clearances/ approvals and linkages before disbursement, scrutiny of group balance-sheet and ring-fencing of cash flows, non-fund and tail risk appraisal in project financing.
- (ii) Use of third-party data sources for comprehensive due diligence across data sources has been instituted, thus mitigating risk on account of misrepresentation or fraud.

- (iii) Monitoring role has been strictly segregated from sanctioning role in high value loans, and specialized monitoring agencies combining financial and domain knowledge have been deployed for effective monitoring of loans above Rs 250 crore.
- (iv) To ensure timely, better and transparent realisation in one-time settlements (OTSs), online end-to-end OTS Platforms have been set up based on checkbox system.

In addition, steps have been taken for systemic improvements and reforms to provide transparent citizen-friendly services and reduce corruption which, *inter-alia*, include:

- (i) Disbursement of welfare benefits directly to citizens under various schemes of the Government in a transparent manner through the Direct Benefit Transfer initiative.
- (ii) Implementation of E-tendering in public procurements.
- (iii) Introduction of e-Governance and simplification of procedure and systems.
- (iv) Introduction of Government procurement through the Government e-Marketplace (GeM).

The Prevention of Corruption Act, 1988 has been amended in 2018 to bring a paradigm shift in tackling corruption in as much as clearly criminalising the act of giving bribe etc.

In this direction, various other measures have also been taken by the Government which include, adoption of Integrity Pact in major Procurement activities, operationalisation of the institution of Lokpal and Discontinuation of interviews in recruitment of Group 'B' (Non-Gazetted) and Group 'C' posts in Government of India.

Further, PSBs have a Board approved Staff Accountability Policy and regulations for taking action against officials involved in irregularities Whenever any irregularities are found or observed on the part of PSB officials, the banks initiate action, wherever required, in consultation with CVC, as per applicable rules/regulations of the bank; and commensurate punishment is awarded to the delinquent employees based on the seriousness of the wrongdoing in accordance with the relevant service rules/ regulations and Reserve Bank of India guidelines.