

(e) the action taken by Government in this regard?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) Yes, Sir.

(b) to (e). It is the duty of the Liaison Officers in the public sector banks to ensure that provisions regarding reservations for Scheduled Caste/Scheduled Tribes in services/posts and other benefits admissible to them are implemented in their respective banks. The duties and responsibilities of these Liaison Officers are laid down in Chapter 15 of the Brochure on Reservation for Scheduled Castes and Scheduled Tribes in Services (Sixth Edition), and the Liaison Officers in the bank are expected to follow the same. Suggestions regarding the appointment of Liaison Officers in public sector banks only from amongst Scheduled Caste/ Scheduled Tribes officers have been made. It has been felt that the Liaison Officers in the public sector banks, should be preferably Senior Officers at the level of Assistant General Manager or above and since Scheduled Caste/Scheduled Tribe officers at this level are not available in some of the banks, it is not possible to accept this suggestion.

#### **Representations from SC/ST Employees**

**8505. SHRI BANWARI LAL BAIRWA:** Will the Minister of FINANCE be pleased to state;

(a) the number of representations from Scheduled Caste/Scheduled Tribe employees and their associations in nationalised banks received by Banking Division in his Ministry from 1-4-86 to 28-2-87;

(b) whether Banking Division replies to representations sent to it by SC/ST employees or their associations; and

(c) if not, the manner in which the grievances are solved and action taken transmitted to the concerned employees/their associations?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) As per the available data about 340 representations had been received in the Banking Division, Ministry of Finance during the period 1-4-86 to 28-2-87 from Scheduled Caste/Scheduled Tribe employees and their associations.

(b) and (c). The Government generally do not enter into correspondence with individual employees of the banks or their associations. However, the representations received from them are forwarded to the concerned banks for appropriate action/comments and whenever any remedial action is required at the Government level, the same is taken after necessary examination.

#### **Suggestions by M.Ps regarding opening of Bank Branches**

**8506. PROF. NARAIN CHAND PARASHAR:** Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government and the Reserve Bank of India take into account and give adequate weightage to the suggestions made by the Members of Parliament regarding the opening of branches of the nationalised banks and their operations as distinguished from the recommendations of the State Government;

(b) if so, the institutional arrangements in this regard and the extent to which the representatives of the people at the Centre are involved by the nationalised banks, the Reserve Bank of India and the Union Government; and

(c) if not, the reasons therefor and the likely date by which the participation of Members of Parliament is proposed to be institutionalised?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) to (c). Under the current Branch Licensing Policy for the period April, 1985 to March, 1990 for opening of branches in the rural and semi-urban areas

by commercial banks, the criteria is a population coverage of 17,000 per branch in the semi-urban and rural areas of each block. The Policy also envisages filling up of spatial gaps by having a branch within a distance of 10 Kms. from every village. The responsibility of identifying centres on the basis of above norms has been entrusted to a Group consisting of the representative of the Lead Bank of the district, representatives of two other banks having major presence in the district, a representative of the Regional Rural Bank (RRB) in case of districts having RRBs and a representative of the State Government. The centres identified by the Group are to be approved by the District Consultative Committee and the list of approved centres alongwith block maps indicating all relevant details are to be forwarded to the State Government/ Union Territory Administration. The final list of centres as approved by State Government/ Union Territory Administration is required to be forwarded to the Reserve Bank of India (RBI) alongwith block maps for scrutiny of the centres. After scrutiny eligible centres conforming to the norms are allotted by RBI to the various banks.

Government and RBI are of the view that the existing institutional arrangements for allocation of centres are adequate. RBI do not, therefore, propose to have any other institutional arrangements for the present.

In regard to allocation of centres in urban and metropolitan areas individual banks are required to apply directly to RBI for considering issuing of licence which will be on the basis of clearly established need and the business potential of the area. Recommendations of Members of Parliament and other eminent persons in regard to opening of branches are given due consideration by the RBI at the time of the allocation of centres.

#### Task Force on D.R.I.

8507. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 7127 on 17 May 1985

regarding recommendations of Task Force to study Differential Interest Scheme and state:

(a) whether any decision has been taken on the report of the Task Force on the Differential Rate of Interest;

(b) if so, the exact recommendations made by the Task Force and the decision taken on each one of them; and

(c) the dates on which decisions have been implemented/are likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Yes, Sir.

(b) The major recommendations made by the Task Force on Differential Rate of Interest (DRI) Scheme were as follows:

1. DRI benefit should be restricted to SC/STs beneficiaries. In rural areas only SC/ST under IRDP should be covered and in other areas SC/ST assisted by Development Corporations should be covered.
2. Income criterion should be on par with IRDP.
3. Rate of Interest should be 2% below Bank Rate or the rate of interest on IRDP loans whichever is lower.
4. No change in the maximum loan amount.

(c) Various recommendations of the Task Force were examined by the Government in consultation with the concerned Ministries of the Government of India, RBI and NABARD and the decisions arrived thereto were conveyed to RBI for issuing instructions to the banks. RBI vide its instruction dated 25th September, 1986 advised the commercial banks as follows:

- (i) The DRI Scheme in the present form will continue at the rate of interest of 4% per annum. There will also not be