

of the Sixth Bipartite Settlement for the Commercial Banks, the employees of RRBs had taken a stand that the Settlement should be extended to them also. The matter was taken to the Supreme Court by some employees. Government had taken a stand that the award of NIT could not be an authority for continued parity between the employees of RRBs and those of sponsor banks. The Supreme Court has not granted the relief prayed for, and instead observed that the employees may seek relief available to them under the Industrial Disputes Act.

In view of the provision of the Act and legal position and in order to have a comprehensive package that will reconcile the interests of the employees, the clients and the banks, the Reserve Bank of India (RBI) has appointed a Committee to make recommendations to Government on the exercise of its powers under Section 17(1) of the Act. It is expected that the employees will present their view point before the Committee to enable it to make considered recommendations on their demands.

[Translation]

#### **NABARD in Bihar**

3327. SHRI R.L.P. VERMA: Will the Minister of FINANCE be pleased to state:

(a) the details of the financial assistance extended by the National Agriculture and Rural Development Bank in Kudarma, Giridih and Hazaribagh in Bihar during the last three years;

(b) the areas in which investment has been made by the bank and the quantum thereof; and

(c) the policies being formulated by the NABARD to boost their investment in the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The information is being collected and, to the extent available, will be laid on the Table of the House.

[English]

#### **Temporary Appointment in Overseas Bank**

3328. SHRIMATI BHAVNABEN DEVRAJBHAI CHIKHALIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government's directives for reservation for SC/ST in services are followed by Indian Overseas Bank in the appointments of Messengers; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) The Indian Overseas Bank has reported that it is maintaining a common roster cadre for messengers, watchmen and drivers in the subordinate cadre and is following the guidelines/instructions of the Govt. in the matter of such appointments.

(b) Does not arise.

#### **Lending Rates for Loan and Cash Credits**

3329. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have allowed Commercial Banks to have two set of prime lending rates for loan and cash credits; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) Reserve Bank of India (RBI), have reported that Scheduled Commercial Banks are free to determine their own lending rates on their advances with credit limits of over Rs. 2 lakh. Banks are required to declare a Prime Lending Rate (PLR) which will be the minimum rate charged by the banks for credit limit of over Rs. 2 lakh Banks are also required to announce the maximum spread over the PLR for all advances other than consumer credit. Reserve Bank of India have in February 1997, clarified to the banks that they are allowed to prescribe PLRs and spreads over PLRs separately for loan component and cash credit component with approval of their respective boards.

#### **New Bank Branches**

3330. SHRI ANCHAL DAS: Will the Minister of FINANCE be pleased to state:

(a) the details of branches proposed to be opened in Orissa during the year 1997-98;

(b) the number of letter of Indent issued during the year 1996-97 in respect of Orissa by the banks;

(c) whether the Government give any assistance to the Cooperative Banks for expansion and setting up of branches in the State; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) The details of authorisations issued by the Reserve Bank of India (RBI) to Nationalised Banks during the period 1.4.95 to 28.2.97 for opening of branches in Orissa which are yet to be opened, are furnished in the attached statement.

(c) and (d) The National Bank for Agriculture and Rural Development (NABARD) assists the State Government towards contribution to the share capital of District and State level co-operative banks.

It is for the state governments to formulate plans for the setting up and expansion of branches of these banks, having a bearing on viability. NABARD have sanctioned an amount of Rs. 0.96 crores, Rs. 2.93 crores and Rs. 6.41 crores for contribution to the share capital of Co-operative

credit institutions in Orissa during 1993-94, 1994-95 and 1995-96 respectively.

#### STATEMENT

*Authorisations issued by Reserve Bank of India to Nationalised Banks during the period 1.4.95 to 28.2.1997 for opening of branches in the State of Orissa, which are yet to be opened.*

| Bank                      | Centre             | Districts   |
|---------------------------|--------------------|-------------|
| Canara Bank               | Sahadevkunta       | Balasure    |
| Canara Bank               | Rourkela           | Sundergarh  |
| Andhra Bank               | Jharsasuguda       | Sambalpur   |
| Corporation Bank          | Rourkela           | Sundergarh  |
| Andhra Bank               | Baripada           | Mayurbhanj  |
| Andhra Bank               | Barbil             | Keonjgarh   |
| Punjab National Bank      | Shahid Nagar       | Bhubaneswar |
| Oriental Bank of Commerce | Sambalpur          | Sambalpur   |
| Dena Bank                 | Balasure           | Balasure    |
| Dena Bank                 | Behrampore         | Behrampore  |
| Indian Bank               | Bhubaneswar        | Bhubaneswar |
| Indian Bank               | M.T.M. Bhubaneswar | Bhubaneswar |
| Indian Bank               | Sailashree Vihar   | Bhubaneswar |
| Indian Overseas Bank      | Jharsuguda         | Sambalpur   |
| Indian Overseas Bank      | Talcher            | Angul       |
| Indian Overseas Bank      | Bargarh            | Bargarh     |
| Indian Overseas Bank      | Baripada           | Mayurbhanj  |
| Indian Overseas Bank      | Dharmgarh          | Kalahandi   |
| Indian Overseas Bank      | Nayagarh           | Nayagarh    |

#### New Pension Scheme for LIC, GIC

3331. SHRI CHAMAN LAL GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Life Insurance Corporation, General Insurance Corporation and Bank employees has been covered under a new pension scheme;

(b) if so, the details thereof;

(c) whether the employees who have been retired before January 1st, 1986 are not being covered by this schemes and if so, the reasons therefor; and

(d) the remedial steps being taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) A Pension Scheme in case of LIC/GIC was introduced w.e.f. 1.11.1993 with an option to those retiring between 1.1.1986 and 1.11.1993 to join the scheme after returning the benefits paid, with interest. The details are

contained in LIC (Employees) Pension Rules, 1995 and General Insurance (Employees) Pension Scheme, 1995. These Rules were published in Extraordinary Gazette on 28.6.1995 for LIC and GIC. These rules were laid on the table of the House on 8.2.1995. In case of Banks (except State Bank of India which already had a Pension Scheme), a Pension Scheme was introduced in lieu of contributory provident fund from 29.9.1995. The employees who were in service of the bank before 29.9.1995 and continue to be in service on 29.9.1995 had the option to opt for pension in lieu of contributory provident fund scheme or continue with the contributory provident fund scheme.

(c) and (d) The cut-off date in respect of LIC, GIC and Banks is 1.1.1986. This was adopted on the lines of RBI with an understanding between the management of LIC/GIC and their employees' union. In case of banks, it was done on the lines of RBI on the basis of an understanding between Indian Banks Association and representatives of Bank Employees'/Officers' Association. It was felt by LIC/GIC/Bank that it would not be possible for them to trace the records to the employees who had retired much earlier and had also availed the benefits of contributory provident fund. It may be mentioned that while introducing any new benefit scheme, stipulating a cut-off date is inevitable. Further, it is neither feasible nor practicable to cover all past retired employees.

#### RRBs Functioning in A.P.

3332. SHRI VENKATARAMI REDDY ANANTHA: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of Regional Rural Banks functioning in Andhra Pradesh particularly in the rural areas;

(b) the amount of loan disbursed during the last two years; and

(c) the percentage of such loans in comparison to total deposits in banks during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) There are 16 Regional Rural Banks (RRBs) with a net-work of 1123 branches functioning in the State of Andhra Pradesh, out of which 931 branches are operating in rural areas.

(b) and (c) As reported by National Bank for Agriculture and Rural Development, the details of loan disbursed by RRBs in Andhra Pradesh and its percentage to total deposits during last two years are as given below:-

(Amount Rs. in lakhs)

|                              | 1994-95  | 1995-96  |
|------------------------------|----------|----------|
| Loan disbursed               | 42464.86 | 59821.55 |
| Percentage to total deposits | 44.40    | 51.52    |