

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3079
ANSWERED ON:16.03.2001
RESTRUCTURING PLAN OF BANK OF INDIA
CHANDRAKANT BHAURAO KHAIRE

Will the Minister of FINANCE be pleased to state:

- (a) whether Bank of India has initiated major restructuring exercise;
- (b) if so, the details thereof;
- (c) whether the Bank propose to close its subsidiaries also; and
- (d) if so, the reasons therefor ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a)&(b): Bank of India has reported that it has initiated steps for restructuring its organisational set up, as part of the process of re-adjusting itself in the post-VRS Scenario to achieve optimisation of available resources, including human resource. In this regard the Bank intends to remove one tier from its existing four tier system and restructure its zonal and regional offices. The bank has also taken up the exercise to rationalise its branch network.

(c)&(d): As a part of the restructuring exercise, with an object to withdraw from unrelated activities and to concentrate on core areas, Bank of India is considering closure of two of its subsidiaries viz.
(i) BOI Mutual Fund & BOI Asset Management Company Ltd. and
(ii) BOI Finance Ltd.