

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (d) The details of action taken by the Government on the report of the Joint Parliamentary Committee (JPC) on irregularities in securities transactions are given in the Action Taken Report laid in the Parliament in 1994. The status reported to Parliament in the Summary of action taken by Government in the revised Paragraphs of the Action Taken Report on the JPC Report in December, 1994 is as follows:-

"The position in respect of some areas where Government/RBI have not been able to accept the recommendations regarding system reforms made by the Joint Parliamentary Committee is as follows:-

- (i) The JPC had recommended a prohibition of Portfolio Management Scheme (PMS) transactions by PSUs. After full consideration the Government is of the view that PSUs may have a need to deploy resources temporarily in PMS type operations and therefore a complete ban may not be workable, but the Government has responded to the JPC's concern about the misuse of this facility by laying down new guidelines to be followed by PSUs engaging in investment operations which will prevent misuse.
- (ii) The JPC had recommended that the practice of having RBI nominee directors on the Boards of the banks be dispensed with. After full consideration the Government's view is that in the present circumstances, when the banking industry is going through an important transition there is a need for continuing with the RBI nominee on the boards of banks.
- (iii) In the light of substantial penal action taken against foreign banks, the Reserve Bank of India have indicated that they are not in favour of taking the extreme step of cancelling or suspending the licences of foreign banks involved in securities irregularities. Government agrees with the view of RBI.

On many other points the Government has amplified and clarified its response in the light of comments received to remove any appearance of disagreement with the report of the JPC. and also to clarify the position in the light of queries and comments by Members of the Opposition."

Premium Collected/Invested By LIC

3323. SHRI BHAGWAN SHANKAR RAWAT: Will the Minister of FINANCE be pleased to state:

- (a) the total amount of premium collected by Life Insurance Corporation from the policy holders in Uttar Pradesh during each of the last two years; and
- (b) the amount invested in development work by LIC in State during the above period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) The requisite information as furnished by the Life Insurance Corporation (LIC) of India is as under:-

Year	Amount of Premium	Amount of Gross Investments made (Rs. in Crore)
1994-95	1135.58	656.98
1995-96	1331.43	350.38

Nominee Director on Board of Nationalised Banks

3324. SHRIMATI GEETA MUKHERJEE: Will the Minister of FINANCE be pleased to state:

- (a) whether a number of posts of officer and employees nominee directors are vacant in a number of banks as the tenure of officer-nominee directors have expired;
- (b) if so, the details of such banks; and
- (c) the steps taken by the Government for the appointment of officers-employee Directors on the Board of the Banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) The post of officer employee director is presently vacant in five nationalised banks. In six other nationalised banks the tenure of officer employee director has expired but they are continuing to hold directorship in terms of the provisions of the statute, pending appointment of their successors. The names of these banks are Allahabad Bank, Andhra Bank, Bank of Baroda, Bank of Maharashtra, Central Bank of India, Corporation Bank, Indian Bank, Punjab and Sind Bank, Union Bank of India, UCO Bank and Syndicate Bank.

(c) The nomination of officer employee directors on the boards of nationalised banks are made in accordance with the criteria and procedure prescribed in the relevant statutes and Government's guidelines in this regard. In the light of representations, reexamination of these guidelines is considered necessary before further action is taken in this regard.

Assistance to Rural Beneficiaries for Small Interprises

3325. DR. ASIM BALA: Will the Minister of FINANCE be pleased to state:

- (a) the financial assistance provided to the rural beneficiaries for small enterprises during the year 1996-97; and
- (b) the total number of beneficiaries who were provided assistance from the bank, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) The data reporting system of Reserve Bank of India does not generate the information in the manner asked for. However, Public Sector Banks advances to Small Scale Industries including to Village and Cottage Industries and Tiny Industries (States/UT-wise) as on last Friday of March 1995 is given in the attached statement.

STATEMENT

Statement showing public sector banks advances to small scale industries (States/UTs-wise) under Priority Sectors as on the last Friday of March, 1995 (Latest available)

Region/State	Small Scale Industries	
	No. of A/Cs	Amount
1	2	3
1. Andhra Pradesh	161895	15609912
2. Arunachal Pradesh	1147	43193
3. Assam	67335	2190376
4. Bihar	228297	7341886
5. National Capital Territory of Delhi	44240	22136615
6. Goa	4523	857388
7. Gujarat	107831	19382643
8. Haryana	47873	9071385
9. Himachal Pradesh	21984	1279415
10. Jammu & Kashmir	7412	922536
11. Karnataka	124729	15345043
12. Kerala	200512	8715613
13. Madhya Pradesh	132095	9448962
14. Maharashtra	151828	42091443
15. Manipur	13744	282449
16. Meghalaya	3048	83191
17. Mizoram	1754	53488
18. Nagaland	5092	192731
19. Orissa	154190	1871252
20. Punjab	109737	5319951
21. Rajasthan	104472	6210713
22. Sikkim	746	35385
23. Tamil Nadu	208363	30863573
24. Tripura	13678	173312

(*latest available)

	1	2	3
25. Uttar Pradesh		338899	23842750
26. West Bengal		616058	18776416
27. Andaman & Nicobar Islands	639		30301
28. Chandigarh		5964	1744109
29. Dadra & Nagar Haveli		68	28511
30. Daman & Diu		330	114160
31. Lakshadweep		36	580
32. Pondicherry		6183	299711

Wages of Employees of RRBS

3326. SHRI VIJAY PATEL:
SHRI S.P. JAISWAL:

Will the Minister of FINANCE be pleased to state:

(a) whether the National Industrial Tribunal constituted on the direction of Supreme Court directed the Government to provide salary, allowances and other facilities to officers and employees of rural banks at par to that of sponsoring banks;

(b) whether the Union Government have constituted a pay rationalisation Committee instead of implementing the Sixth Pay agreement reached on February 6, 1995 and 23rd June, 1995;

(c) whether the Government are aware that there is resentment in more than 75 thousands rural officers and employees in the country due to constitution of Pay rationalisation Committee;

(d) whether Government are also aware that the officers and employees of rural banks have organised a rally to press for their demands; and

(e) if so, the reaction of the Union Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (e) The pay and allowances of the employees of the Regional Rural Banks (RRBs) are to be determined by Government under Section 17(1) of the RRBs Act, 1976. In pursuance of an order of the Hon'ble Supreme Court, the Government appointed a National Industrial Tribunal (NIT) in 1987. The Tribunal was required to decide the dispute relating to pay, salary, allowances and other benefits payable to the employees of the RRBs in terms of the pleadings of the parties in a Writ Petition.

Pursuant to the award of the Tribunal, Government issued an order on 22.02.1991 determining the salary and allowance of the employees of the RRBs and made them effective from 1.9.1987. However, after the implementation