

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3534
ANSWERED ON:16.12.2005
RETRENCHMENT OF EMPLOYEES OF PSBS
Ahir Shri Hansraj Gangaram

Will the Minister of FINANCE be pleased to state:

- (a) whether the employees in public sector banks are being retrenched arbitrarily :
- (b) if so, the number of employees retrenched by the banks during the last five years till date ;
- (c) the reasons for retrenchment;
- (d) whether delegating of power of appointment of employees after retrenchment to the Directors will affect transparency ;
- (e) if so, the details thereof: and the steps being taken by the Government to ensure that the bank employees are not divested of their rights and entitlements?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)to(c) As reported by the Indian Banks` Association (IBA), there is no case of any employee of Public Sector Banks (PSBs) being retrenched, arbitrarily,

(d)and(e) The recruitment policy in PSBs is laid down by their Boards of Directors having regard to the guidelines of the Government in the matter of minimum/maximum age, educational qualifications etc. and having regard to the reservation provisions for SCs/STs/OBCs.

There are no reported instances with IBA where employees in service are were denied their rights and entitlements.