

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2886

ANSWERED ON:17.12.2004

DISPUTE OF STATE BANK OF SAURASHTRA

Angadi Shri Suresh Chanabasappa;Mandal Shri Sanat Kumar;Meghwal Shri Kailash

Will the Minister of FINANCE be pleased to state:

- (a) whether it is the policy of the State Bank of India and its subsidiaries to settle `out of court` disputes arising in connection with leased premises involving rental dues etc;
- (b) if so, the number of disputes settled in this manner during the last one year by the SBI and its subsidiaries, bank-wise;
- (c) whether the State Bank of Saurashtra has a dispute involving the premises occupied by it in Nariman Point, Mumbai;
- (d) if so, the details of the disputes;
- (e) the reasons why the policy of settling disputes out of court was not followed in this case; and
- (f) the action being taken by the State Bank of Saurashtra to implement the expenditure of public money on prolonged litigation?

Answer

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

- (a) :- State Bank of India (SBI) have reported that there is a structured grievance redressal forum at Zonal Office/Local Head Office level to deal with such disputes.
- (b):- The data reporting system of SBI does not generate the information as the dispute/grievances are settled at various Zonal Office/Local Head Office level.
- (c) & (d) :- State Bank of Saurashtra (SBS) has reported that a dispute has arisen as a consequence of the conflict between Suja Family Trust and Jogesh Trading Co. Pvt. Ltd. and the change in the ownership. The Honourable High Court has granted stay of the eviction and the matter is pending.
- (e) :- SBS tried to settle the dispute out of court in this case also. SBS had formed a committee in May 2004 to negotiate with Shri Suresh (Director, Jogesh Trading Co. Pvt. Ltd.) for arriving at a settlement with reasonable increase in rent. The offer of the SBS for increase in rent has not been accepted by them.
- (f):- SBS is not interested in litigation and has offered to settle the issue amicably through negotiation.