

Fourth Report
**COMMITTEE ON WELFARE OF OTHER
BACKWARD CLASSES**
(2013-2014)

(FIFTEENTH LOK SABHA)

[Reservation in employment and welfare measures
for OBCs in the Reserve Bank of India.]

MINISTRY OF FINANCE
(Deptt. of Financial Services)

Presented to Lok Sabha on 07.02.2014
Laid in Rajya Sabha on 07.02.2014



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NEW DELHI

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COMPOSITION OF THE COMMITTEE FOR WELFARE OF OTHER
BACKWARD CLASSES (OBCs) (2012-13)

Shri Bijoy Krishna Handique — *Chairman*

MEMBERS

Lok Sabha

2. Shri Hansraj Gangaram Ahir
3. Shri Sameer Magan Bhujbal
4. Shri Dara Singh Chauhan
5. Dr. Charles Dias
6. Shri T.K.S. Elangovan
7. Shri Mukesh Kumar Bhairavdanji Gadhvi*
8. Shri Anant Gangaram Geete
9. Shri P.Kumar
10. Dr. Kruparani Killi**
11. Shri P.C. Mohan
12. Shri Ponnamp Prabhakar
13. Shri Amarnath Pradhan
14. Shri Ramkishun
15. Advocate A. Sampath
16. Shri Ganesh Singh
17. Shri Manicka Tagore
18. Shri Arun Yadav
19. Shri Hukmadeo Narayan Yadav
20. Prof. (Dr.) Ranjan Prasad Yadav

Rajya Sabha

21. Shrimati Jharna Das Baidya
22. Shri Birendra Prasad Baishya
23. Shri Devender Goud T.
24. Shri Rama Chandra Khuntia
25. Dr. Ram Prakash
26. Shri V. Hanumantha Rao
27. Shri Arvind Kumar Singh
28. Shri Ramchandra Prasad Singh
29. Shri Natuji Halaji Thakor
30. Shri Ashk Ali Tak

* Shri Mukesh Kumar Bhairavdanji Gadhvi passed away on 1st March, 2013.

** Dr. Kruparani Killi ceased to be a member after appointment as MoS *w.e.f.* 28.10.2012.

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10. Shri Ponnamp Prabhakar
11. Shri Amarnath Pradhan
12. Shri Ramkishun
13. Shri Konakalla Narayana Rao
14. Advocate A. Sampath
15. Shri Ganesh Singh
16. Shri Uday Pratap Singh*
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26. Shri Ramchandra Prasad Singh
27. Shri Ashk Ali Tak
28. Dr. Bharatkumar Raut
29. Dr. Anil Kumar Sahani
30. Shri Shankarbhai N. Vegad

SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri N.C. Gupta — *Director*
3. Shri R.R. Kumar — *Additional Director*
4. Shri Gurpreet Singh — *Committee Assistant*

*Resigned his seat in Lok Sabha *w.e.f.* 10th December, 2013.

INTRODUCTION

I, the Chairman, Committee on Welfare of Other Backward Classes having been authorized by the Committee to present the Report on their behalf, present this Fourth Report on 'Reservation in employment and welfare measures for OBCs in the Reserve Bank of India'. pertaining to the Ministry of Finance (Deptt. of Financial Services).

2. The Committee took evidence of the representatives of the Ministry of Finance (Deptt. of Financial Services) and the Reserve Bank of India on 12th March, 2013. The Committee wish to express their thanks to the representatives of the Ministry and Reserve Bank of India for appearing before the Committee for evidence and furnishing the information desired by the Committee in connection with the examination of the subject.

3. The Report was considered and adopted by the Committee at their sitting held on 17th December, 2013.

4. The Committee place on record their appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;
06 February, 2014
17 Magha, 1935 (Saka)

BIJOY KRISHNA HANDIQUÉ
Chairman,
Committee on Welfare of OBCs.

REPORT

PART I

A. Introductory

The Reserve Bank of India was established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934. The Central office of the Reserve Bank was initially established in Calcutta but was permanently moved to Mumbai in 1937. Policies are formulated in the Central Office where the Governor sits. Though originally privately owned, since nationalization in 1949, the Reserve Bank is fully owned by the Government of India.

The Preamble of the Reserve Bank of India describes the basic functions of the Reserve Bank as:—

"...to regulate the issue of Bank Notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage."

1.2 Organisation Set-up of Reserve Bank of India is as under

The Central Board of Directors is at the top of the RBI's organizational structure. The Governor is the Chief Executive. The management team includes Deputy Governors and Executive Directors. The Central Government nominates fourteen Directors. Under the Executive Directors, there are CGMs, GMs, Assistant GMs and Managers and other support staff.

1.3 The Reserve Bank's affairs are governed by a central board of directors. The Central Board is appointed by the Government of India in keeping with the Reserve Bank of India Act, 1934. Table 1.3 shows the composition of Board of Directors, as on 11th December, 2013:—

Table 1.3

Names and addresses of the Directors of the Central Board of the Reserve Bank of India

1. Shri Raghuram Rajan Governor Reserve Bank of India Central Office Mumbai-400 001.	@11.	Shri Kumar Manglam Birla Chairman, Aditya Birla Group of Companies Aditya Birla Centre. S.K. Ahire Marg, Worli, Mumbai - 400 030.
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2.	Dr. K.C. Chakrabarty Deputy Governor Reserve Bank of India Central Office Mumbai-400 001.	@12.	Prof. Dipankar Gupta 1 Palam Marg (Annexe) Vasant Vihar New Delhi-110 057.
3.	Shri Anand Sinha Deputy Governor Reserve Bank of India Central Office Mumbai-400 001.	@13.	Shri Najeeb Jung V.C. Lodge Khan Abdul Ghaffar Khan Enclave Jamia Nagar New Delhi-110 025.
4.	Shri H.R. Khan Deputy Governor Reserve Bank of India Central Office Mumbai-400 001.	@14.	Shri G.M. Rao Chairman, GMR Group IBC Knowledge Park, Phase 2, "D" Block, 9th Floor 4/1, Bannerghatta Road, Bangalore-560 029.
5.	Dr. Urjit R. Patel B-1, Harbour Heights 3F, N.A. Sawant Road, Colaba Mumbai-400 005.	@15.	Ms. Ela Bhatt Self Employed Women's Association SEWA Reception Centre, Opp. Victoria Garden, Bhadra, Ahmedabad-380 001.
*6.	Dr. Anil Kakodkar Flat No. 1104 Bldg. No. 5 Accolade Co-op Housing Society Hajuri Dargah Road, Behind LIC, Thane(w)-400 604.	@16.	Dr. Indira Rajaraman Retired Professor of Economics B-2/2395, Greenglade Apartments Vasant Kunj, New Delhi-110 018.
*7.	Shri Kiran Karnik Q-2A, Hauz Khas Enclave New Delhi-110 016.	@17.	Shri Y.C. Deveshwar Flat No. 10, Fountain Court, 7/1, Little Russell Street, Kolkata-700 071.

*8. Prof. M.V. Rajeev Gowda 1361, 9th Cross JP Nagar, I phase Bangalore-560 078.	@18.	Prof. Damodar Acharya Directors' Bungalow IIT Kharagpur campus Kharagpur-721 302.
@9. Shri Y.H. Malegam Chartered Accountant C/o S.B. Billimoria & Company Meher Chambers (2nd Floor) R. Kamani Road, Ballard Estate, Mumbai - 400 001.	#19.	Shri Rajiv Takru Secretary (DFS) Ministry of Finance Government of India New Delhi-110 001.
@10. Shri Azim Premji Chairman, WIPRO Limited Doddakanneli, Sarajpur Road, Bangalore-560 033.	#20.	Shri Arvind Mayaram Secretary Department of Economic Affairs Ministry of Finance New Delhi.

*Directors nominated under Sect. 8 (1) (b) of the RBI Act, 1934.

@Directors nominated under Sect. 8 (1) (c) of the RBI Act, 1934.

#Directors nominated under Sect. 8 (1) (d) of the RBI Act, 1934 (as amended). Dated January 16, 2013.

1.4 The Committee noted that no Director (official-non official) on the Central Board of Directors belongs to OBC category. When asked about the reason, the Reserve Bank of India submitted that under Section 8 of Reserve Bank of India Act, 1934, the Directors of the Central Board are appointed/nominated by the Central Government.

1.5 The Committee desired to know from the Ministry of Finance (Deptt. of Financial Services) as to whether there is any provision to give representation to OBCs in the Board of Directors of Public Sector Banks (PSBs)/Financial Institutions (FIs), etc., in reply, the Deptt. Of Financial Services informed as under:—

"Official directors on the Boards of PSBs, including RBI are appointed at the highest level by the ACC and are selected from the existing Executives in the PSBs etc. As Regards nomination of Non-Official Directors on the Boards, of PSBs their nomination on the Boards of PSBs, including RBI is in the nature of part-time appointment. Therefore, the same is not covered

under the relevant provisions providing for reservation policy of the Government of India as applicable to other appointments in the Governments. However, these appointments are made as per the guidelines approved by the Appointments Committee of the Cabinet which stipulates that, "as far as possible representation may also be given to women and the persons belonging to SC/ST community."

B. Reservation in Recruitment

1.6 The Committee were informed that the guidelines on reservation in recruitment for Other Backward Classes (OBCs) are being implemented in the RBI since 1993 when OBC quota was introduced.

1.7 As per a note submitted by RBI, the following procedure is being followed in RBI for recruitment of staff in various categories of posts:—

Class I:

The Bank is resorting to Direct Recruitment in Class I in Grade 'B' (Direct Recruit-General), Research Officer in Department of Economic and Policy Research (DEPR) and Department of Statistics and Information Management (DSIM) and a few other posts in Grade 'A' and Grade 'B'. The responsibility for direct recruitment through written tests/interviews is entrusted to the Reserve Bank of India Services Board (RBISB) which is a body set by the Bank. The indents for recruitment are placed annually with the RBISB by Human Resource Management Department (HRMD) of the Bank.

Thereafter, the RBISB handles all the works connected with the selection of officers *viz.* issuing of advertisements, preparing select lists after conducting the necessary examinations/interviews prescribed for various posts and issuing selection advices to the successful candidates. After a select-list is prepared by the RBISB, it is passed on to the Bank. The actual work of making appointments *i.e.*, issuing offer of appointment, obtaining Police Verification Report, Referee Report, conducting the medical examination and issuing appointments letters etc. is attended to by the Bank.

The reservation Rosters are maintained cadre-wise and while recruiting the candidates, the required 27% reservation criterion is followed meticulously.

Class III & Class IV:

Due to computerization and rationalization of work processes, the Bank has been resorting to only need-based recruitment in Class III and IV. The Bank has recently made recruitment to the post of Assistants in Class III where the work

with regard to receipt of applications and conduct of the examination had been outsourced to Institute of Banking Personnel Selection (IBPS). The successful candidates were then called for interview at the Regional Offices of the Bank and selected.

The recruitment in the posts like Junior Engineers, Lounge Supervisors, Pharmacists in Class III and Maintenance Attendants, Drivers, Security Guards etc. in Class IV cadre are made by the Bank depending on the urgency and the administrative requirements. Whenever such recruitments are made, reservation requirements as per Government of India guidelines are adhered to.

1.8 The Committee enquired about the percentage of reservation provided by Reserve Bank of India in favour of OBCs indirect recruitment and the dates from which it was made applicable, in reply, the RBI furnished class-wise position as under: (Table 1.8 refers)

Table 1.8
Percentage of reservation for OBCs in direct recruitment

Class	Percentage of Reservation in Direct Recruitment for OBCs	Date from which Reservation is effective in the Bank
Class iii/(Clerical/ Non-clerical Staff) and Class IV (Subordinate Staff)	Varies from State to State (as per the Government of India guidelines).	September 8, 1993.
Class I, Officers in Grade 'A' (Assistant Managers)	27%	September 8, 1993.
Class I Officers in Grade 'B' (Managers) on All India basis by open competition	27%	September 8, 1993.
Class I Officers in Grade 'B' (Managers) on All India basis otherwise than by open competition (<i>i.e.</i> Campus Recruitment)	25.84% [@]	September 8, 1993.

[@]The reservation percentage in respect of SCs in the recruitment other than by open competition (campus recruitment) is 16.66%. Keeping in view the 50% rule, *i.e.* total reservation in any recruitment should not exceed 50%, the reservation in respect of percentage in respect of OBC is reduced accordingly.

1.9 Table 1.9 gives the details of the Recruitment made during the last three years as informed by RBI.

Table 1.9

Recruitments made by RBI between 2009—2011

Year	Category of Posts	Total No. of vacancies occurred/indented*	Total No. of vacancies actually filled@	No. of vacancies reserved for Other Bakward Classes			Total No. of vacancies reserved for OBCs actually filled	Short fall
				C/F from previous year	Reserved during the year	Total		
1	2	3	4	5	6	7	8	9
2009	Class I	126	108	-	21	21	21	-
2010	Class I	353	109	-	37	37	31	6
2011	Class I	147	46	-	83	83	80	3
2009	Class III	There has						
2010	Class III	been no						
2011	Class III	regular recruitment in Class III.						
2009	Class IV	There has						
2010	Class IV	been no						
2011	Class IV	regular recruitment in Class IV barring in respect of some Security Guards at some centres.						

* The figures reflect only the indents placed during the year. Some of the recruitments in respect of these indents may take place during the next review period. Similarly, the figures provided in column 4 above may not necessary relates to the indents placed in the same year.

@ Including compassionate appointments.

1.10 The Committee sought information regarding post-wise details of recruitment made in the officers' cadre in the last four years. In reply, the RBI submitted the details reproduced under Table 1.10.

Table 1.10
Post-wise reservation for OBCs

Year	Recruitment made in the cadre	No. of Vacancies reserved for OBCs	No. of OBC candidates selected	Backlog
1	2	3	4	5
2009	Officer in Grade 'B' (DR)	15	15	0
	Legal Officer in Grade 'B'	0	2 (On own merit)	0
	Assistant Manager (Rajbhasha)	6	8 (including 2 on own merit)	0
2010	Officer in Grade 'B' (DR)	23	24 (including 1 on own merit)	0
	Assistant Manager (Security)	7	1	6
	Research Officer (DEPR)	4	4	0
	Assistant Manager Rajbhasha	1	1	0
	Research Officer (DSIM)	2	2	0
2011	Officer in Grade 'B' (DR)	20	20	0
	Executive Interns	54	62 (including 8 on own merit)	0
	Manager (Technical-Civil)	2	2	0
	Manager (Technical-Electrical)	1	1	0
	Special recruitment Drive for Assistant Manager (Security)	6	3	3
2012	Research Officer (DSIM)	4	4	0

1	2	3	4	5
	Assistant Manager (Rajbhasha)	4	4	0
	Research Officer (DEPR)	1	1	0
	Officer in Grade 'B' (DR)	18	20 (including 2 on own merit)	0
	Officer in Grade 'B' (DR)- Campus Recruitment	8	7	1
	Assistant Manager (Rajbhasha)	2	2	0

1.11 When asked about the recruitments made in Class III and Class IV posts during last four years and reservation given to OBC candidates therein the Reserve Bank of India in a note informed that there has not been any regular recruitment in class III and class IV during 2009, 2010 and 2011. Recruitment of 1000 Assistants was made in Class III during the year 2012.

1.12 During oral evidence of the representatives of Ministry of Finance (Deptt. of Financial Services) Committee asked about steps being taken to fill up the unfilled reserved vacancies of OBCs in the grade of Assistant Manager (Security) and Officer Grade B. In reply, to Secretary Ministry of Finance (Deptt. of Financial Services) stated as under:—

"RBI has initiated their process of OBC quota in 1993 when it was introduced. If you look at the latest picture as of today based on the recruitment which they have done, RBI had reported six vacancies but I am very glad to inform you that I was just informed outside that the number has now come to three backlog vacancies. That is as regards the recruitments which have been made. They will also make a special recruitment drive and complete that. There is a problem of legacy there. There are certain amounts of recruitment which you can do on the fresh ones which are coming and recruitments, as you know, are few and far between. The entire picture has been given to the hon. Committee. But this is something which is taken very seriously and I think, overall, the position is not very dismal."

1.13 Asked as to whether roster was maintained for recruitment in each category of posts as per orders on the subject and the same inspected periodically, the Reserve Bank of India in their note stated as under:—

"Yes, the rosters are maintained at all the Regional Offices for the Class III and Class IV staff and at the Central Office for the Class I *i.e.* Officers. These are inspected on an yearly basis by the Liaison Officer for OBCs. Some of these were recently inspected by the Ministry of Finance, Government of India and found to be in order."

1.14 Asked as to whether any representative of OBCs was included in the various Recruitment Boards/Selection Committees/D.P.Cs. set up by RBI for appointment to various posts, the RBI in their written reply informed as under:—

"It is ensured that a SC/ST member is included in the Departmental Selection Committees/Selection Board for recruitment to protect the interest of all the reserved category (SC/ST/OBC) candidates."

1.15 On a further query, the Reserve Bank of India stated that there are no specific guidelines from the Government of India for inclusion of representative of OBCs in the Selection Committees.

C. Welfare Measures for OBCs

1.16 The Committee enquired as to whether a separate Liaison Officer has been appointed by the Reserve Bank of India to oversee the implementation of reservation orders for OBCs and to look into their grievances. In reply Reserve Bank of India stated that a separate Liaison Officer has been appointed for the OBC employees of the Bank and the Statutory Requirements and Recruitment Section (SRRS) at the Central office of the Bank also takes care of the interests of the OBC Employees.

1.17 Asked as to whether periodic meetings with the meetings with the OBC employees are conducted to sort out their problems/grievances and also whether minutes of such meetings are prepared and circulated, the Reserve Bank of India in their note informed as under:—

"Half-yearly meetings are organised with the office bearers/representatives of the All India Reserve Bank OBC Employees' Association as per the instructions received from the Government of India in this regard, Such meetings are Chaired by the Executive Director holding charge of Administration. Similar meetings are also held at the Regional Office level. The minutes are prepared and circulated to the OBC Employees' Association."

1.18 The Committee further enquired about the grievance redressal mechanism for OBC Employees and the details of the complaints disposed of during last two years. In reply the Reserve Bank of India stated as under:—

"Apart from the meetings with the Central Unit of the OBC Employees' Association at Central Office level, similar meetings are held by the Regional Directors of the local offices who are the local Liaison Officers. In addition, the members of the OBC and its Association meet the Liaison Officer as and when required to apprise him about their grievances. A Complaint Register is also maintained to record the details of the complaints and action taken thereon. However, no complaint has been received during the last two years."

D. Training facilities for OBCs candidates/employees

1.19 In a written note furnished to the Committee, the RBI informed that no pre-recruitment or pre-promotion training is provided to the OBC candidates/employees as no instructions have been received from Government of India in this regard.

1.20 The Committee also enquired from the Ministry of Finance (Deptt. of Financial Services) regarding administrations/guidelines on pre-recruitment/pre-promotion training for OBCs and their participation in foreign trainings/assignments symposia, etc. In their reply, the Deptt. of Financial Services stated that the Department *vide* its Letter No. 5/11/2010-SCT(B), dated 31.10.2012, circulated to all PSBs/FIs/PSICs and RBI had emphasized the need to provide pre-recruitment/pre-promotion, and in-service training to SC/ST and OBC candidates/employees for upgrading their skill to bring them at par with their counterparts. It was also advised that they should be given opportunities for attending seminars, symposia, conferences, etc.

1.21 As regards foreign training, the Committee desired to know as to how many OBC officers/employees were sent on foreign training, assignments/symposia etc. during the last five years and the number of OBCs amongst them. Table 1.21 contains the information furnished by the RBI.

Table 1.21

Participation of Officers in Trainings/Symposia

Year	2009	2010	2011	2012	2013	Grand Total
Total Officers deputed for Foreign Training	443	523	553	544	518	2581
SC	37	40	47	65	58	247
ST	13	12	28	18	26	97
OBC	35	33	39	52	41	200

E. Financial support to OBCs

1.22 On being asked whether the Government is contemplating any micro-finance scheme for the socio-economic development of the OBCs, especially the small entrepreneurs, the representatives of the Reserve Bank of India during oral evidence informed as under:—

"As part of the Government's overall priority sector lending quota, there is credit support for the weaker sections of society. That has special emphasis for SCs, STs and OBCs within that. There is direct credit support for weaker sections and under this category, all weaker sections benefit. There are no reservations, but beneficiaries under these schemes are both in rural and urban areas, those below poverty line, the minorities, the SCs, the STs including the OBCs. So all the weaker sections are coming under the priority sector sub-ceiling".

1.23 The Committee sought information about the financial support being provided in favour of SCs/STs through commercial banks and asked as to whether these facilities were also made available to OBCs. In reply the Reserve Bank of India in their note stated:—

"As per RBI guidelines on priority sector lending to bank, 10 percent of ANBC or credit equivalent amount of Off-Balance Sheet Exposure, whichever is higher is mandated for weaker sections which includes SC/STs beneficiaries. Further, Reserve bank of India monitors the flow of credit under poverty alleviation and employment generation Programmes of Central Government which are implemented through credit linkage with banks and subsidy allocations through the concerned Ministry's budgetary allocations. Specific targets are fixed by concerned Ministries. The credit extended to beneficiaries under Government sponsored schemes are treated as credit to weaker sections. Under these schemes certain reservations/concessions are available to SC/ST beneficiaries. The schemes are:—

- (i) Swarnajayanti Gram Swarozgar Yojana (SGSY) [Since restructured as National Rural Livelihood Mission (NRLM)] formulated by Ministry of Rural Development:—

NRLM would ensure adequate coverage of vulnerable sections of the society such that 50% of the beneficiaries are SC/STs, 15% are minorities and 3% are persons with disability, while keeping in view the ultimate target of 100% coverage of BPL families.

- (ii) Swarna Jayanti Shahari Rozgar Yojana (SJSRY) formulated by Ministry of Housing and Urban Poverty Alleviation:—

Under SJSRY advances should be extended to SCs/STs to the extent of their strength in the local population.

- (iii) Scheme for Rehabilitation of Manual Scavengers (SRMS) formulated by Ministry of Social Justice and Empowerment:—

The Scheme covers primarily all scavengers belonging to the scheduled caste community.

- (iv) Differential Rate of Interest (DRI) Scheme:—

Under the DRI scheme, at least 40 percent of total DRI Advances should be granted to SC/STs.

At present the reservations/concessions under the above schemes are not available to OBCs."

1.24 On being asked whether the RBI ensure that the Scheduled Banks including Nationalized Banks are fulfilling their duty to provide financial support satisfactorily through loans etc. to all weaker sections including OBCs. In reply, RBI informed that there are no specific instructions from the Government of India for financial support to the OBCs through Commercial Banks.

PART II

OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

Representation of OBCs on the Board of Directors

The Reserve Bank of India was established on 1st April, 1935 and it was nationalized in 1949. The Reserve Bank of India (RBI) functions to regulate the issue of Bank Notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage. The affairs of the Reserve Bank of India are governed by the Central Board of Directors, which is appointed by the Government of India under the RBI Act. The official directors on the Board of the banks as informed to the Committee by the Ministry are appointed at the highest level by the Appointments Committee of the Cabinet (ACC) and are selected from the existing executives in the PSBs. The guidelines approved by the ACC of the Cabinet *inter-alia* stipulate that "as far as possible representation may also be given to women and the persons belonging to SC/ST community. The Committee thus note that even though there is no reservation in so far as appointment of the members on the board of directors of PSBs is concerned yet due care is taken to give representation to SC/ST community and women. The Committee are dismayed to observe that the representation of the Other Backward Classes on the Board of Directors of the Public Sector Banks, RBI and PSUs has been conspicuously ignored while framing such guidelines even though OBCs constitute more than half the population of the country. No wonder that not even a single member in Board of Directors of RBI belongs to OBC. The Committee recommend the Ministry of Finance (Deptt. of Financial Services) to take appropriate steps in this regard and bring the sentiments of the Committee to the highest level of the Government of India in consultation with the Ministry of Personnel, Public Grievances and Pensions (Deptt. of Personnel and Training) so that the representation of OBCs on the board of directors in all the PSBs, FIs and PSUs is ensured by amending the existing guidelines.

Reservation in recruitment

2.2 The committee note that the Reserve Bank of India is implementing the reservation orders of the Government of India in recruitment in favour of Other Backward Classes since the date of enforcement of reservation order *i.e.* 8th September, 1993. In Class I (Grade A and B) services, the prescribed share of 27% for OBCs is being made applicable in All India open competitive recruitments whereas in class III and class IV posts, reservation for OBCs varies from State to State as per the Government of India guidelines. The Committee have also noted that there has not been any regular recruitment in Class IV during last four years while in class III, recruitment of 1000 Assistants

was made in 2012. In Class I service, the scrutiny of the data supplied by the Reserve Bank of India revealed that there were six backlog vacancies for OBCs in the post of Assistant Manager (Security) in 2010 which stood reduced to 3 in 2013. Though the Committee feel that the figure of 3 backlog vacancies in OBC category is not alarming and agree with the Secretary, Deptt. of Financial Services that the position is not very dismal, yet they are surprised that the RBI is not able to fulfil even 3 backlog vacancies in last three years even after launching a special recruitment drive in 2011. The Committee therefore recommend that the Reserve Bank of India should make all out efforts to fill up the backlog of remaining three vacancies in OBC category in the post of Assistant Manager (Security) and one vacancy in Grade B campus recruitment at the earliest. The Committee would like to be apprised of the final results of the next recruitment process in this regard. Further, the Committee recommends that regular recruitments may be made in Class II and Class IV posts regularly and the OBCs may be given their due share.

Representation of OBCs in Selection Committees/Boards

2.3 The Committee were informed the Reserve Bank of India has taken every care to ensure representation of a Scheduled Caste/Scheduled Tribe member on the Departmental Selection Committees/Selection Boards to protect the interest of all the reserved category (SC/ST/OBC) candidates. The Committee are surprised to observe that the Reserve Bank of India has not included any OBC representative on the selection committee even though the Ministry of Personnel, P.G. & Pensions (Deptt. of Personnel & Training) OM No. 42011/15/95- Estt. (SCT) dated 11th July, 1995 stipulates mandatory inclusion of a member of SC/ST/OBC Community in selection committees/boards for making recruitment to ten or more vacancies in Group 'C' or Group 'D' posts/services. Notably, the DoPT has also emphasized that no effort should be spared in finding a SC/ST/OBC representative in the selection committees/boards even if the number of vacancies against which selection is to be made is less than ten. In view of the Government's directive, the Committee expect that RBI would include representative of OBCs also periodically on its selection committees/ boards.

Training facilities for OBC Candidates/Employees

2.4 The Committee note that the Ministry of Finance (Deptt. of Financial Services) had issued instructions on 31st October, 2012 for Public Sector Banks/ Insurance Companies, Financial Institutions and Reserve Bank of India emphasizing the need to provide pre-recruitment/pre-promotion and in-service training to the Scheduled Castes, Scheduled Tribes and OBC candidates/employees for upgrading their skill to bring them at par with their counterparts. But the Committee are dismayed to find that the Reserve Bank of India is not providing any pre-recruitment or pre-promotion training to the OBC candidates/employees. What is more perturbing to the Committee is the fact that the RBI has attributed this omission to the lack of any instruction from the Government of India in this regard. By not giving pre-recruitment/pre-promotion training, the Committee feel that the RBI is depriving the OBC candidates/employees of their Constitutional

rights for their development. The Committee are of the firm view that being the banker to the banks, the RBI should have taken lead and set an example by arranging such training programmes for OBCs. That this was not done indicates that RBI is not at all serious towards implementing Government's directives. Moreover, the reasons extended by the RBI for not arranging such training programmes for OBC candidates/employees are rather misleading and unjustifiable. Against this backdrop, the Committee recommend that the RBI should start the pre-recruitment/pre-promotion training for OBC candidates/employees without any further delay so as to enable the backward section of the society to join the mainstream.

Representation of OBCs in Foreign Training Programmes

2.5 The Committee note that a total number of 2581 officers were deputed for foreign training during last five years (2009 to 2013), out of which only 200 officers were selected from the OBC community. While the Committee agree that there is no separate reservation for OBCs in such training programmes/assignments, yet to boost the morale of officers/employees belonging to OBC, it is imperative that they find more representation in such training programmes. The Committee need not emphasize that the training programmes especially in reputed institutions within the country or abroad gives a lot of exposure and enhances the skill of the trainee employee/officer. In view of the foregoing, the Committee feel concerned as to why the backward community amongst the RBI Officials has been given less than eight percent share in foreign training programmes. The Committee desire that the RBI should adopt a just and equitable approach in future and accommodate more and more OBC persons in foreign training programmes, assignments and symposia.

Financial support to OBCs

2.6 The Committee note that as part of the Government's overall priority sector lending, credit support is extended to the weaker sections of the society. The Reserve Bank of India monitors the flow of credit under poverty alleviation and employment generation programmes of Central Government which are implemented through credit linkage with banks and subsidy allocations through the concerned Ministry's budgetary allocations. The Committee also find that the credit extended to the beneficiaries under Government sponsored schemes like National Rural Livelihood Mission (NRLM) under the Ministry of Rural Development and Swarna Jayanti Shahari Rozgar Yojana (SJSRY) under the Ministry of Housing and Urban Poverty Alleviation are treated as credit to weaker sections of the society. The Committee are, however, unhappy to note that certain reservations/concessions available under these Central Government Sponsored Schemes are applicable to SC/ST beneficiaries only and these reservations/concessions are not available to OBCs at present. Further, according to the Reserve Bank of India, there are no specific instructions from the Government of India for financial support to the OBCs through commercial banks. The Committee take a very strong view of the discrimination being meted out to OBCs and wonder as to how the interests of OBCs in vital areas like financial

support through commercial banks and credit support through various Government Sponsored Schemes are being set aside by the Government of India, which is under Constitutional obligation to promote all weaker sections of society including OBCs by guaranting to them social, economic and political justice. The Committee recommend that the Reserve Bank of India and the Deptt. of Financial Services should take initiative to include reservations/concessions being extended to SCs/STs to the persons belonging to OBC community also in all the Central/State Government sponsors Schemes/Programmes and also to extend financial support in the form of loans at concessional rates to the students and entrepreneurs of OBC community in order to enable them to become self dependent and to enhance their self-esteem. The Committee would like to be apprised of the action taken in this regard.

NEW DELHI;
06 February, 2014

17 Magha, 1935 (Saka)

BIJOY KRISHNA HANDIQUE
Chairman,
Committee on Welfare of OBCs.

APPENDIX I

MINUTES OF THE NINTH SITTING OF THE COMMITTEE ON WELFARE OF
OTHER BACKWARD CLASSES (OBCs) (2012-13) HELD ON 12TH MARCH,
2013 IN COMMITTEE ROOM 'A' PARLIAMENT HOUSE ANNEXE,
NEW DELHI

The Committee sat from 1500 hrs. to 1630 hrs.

PRESENT

Shri B.K. Handique — *In the Chair*

MEMBERS

Lok Sabha

2. Shri Dara Singh Chauhan
3. Dr. Charles Dias
4. Shri P.C. Mohan
5. Shri Ponnampalapuram Prabhakar
6. Shri Amarnath Pradhan
7. Shri Ramkishore
8. Advocate A. Sampatn
9. Shri Ganesh Singh
10. Shri Manicka Tagore
11. Shri Hukomadeo Narayan Yadav

Rajya Sabha

12. Smt. Jharna Das Baidya
13. Shri Devender Goud T.
14. Shri Ram Chandra Khuntia
15. Dr. Ram Prakash
16. Shri V. Hanumantha Rao
17. Shri Natuji Halaji Thakor
18. Shri Ashk Ali Tak

SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri N.C. Gupta — *Director*
3. Shri R.R. Kumar — *Additional Director*
4. Shri R.L. Yadav — *Deputy Secretary*

WITNESSES

I. Ministry of Finance (Deptt. of Financial Services)

1. Shri Rajiv Takru — Secretary
2. Dr. A. Bhattacharya — Joint Secretary
3. Shri Mustafa Mohammad — Director

II. Reserve Bank of India (RBI)

1. Dr. Urjit Patel — Deputy Governor
2. Shri R. Gandhi — Executive Director
3. Shri Neeraj Nigam — General Manager
4. Shri R.S. Amar — General Manager

2. At the outset, the Chairman made an obituary reference to the passing away of Shri Mukesh Bhairavdanji Gadhvi, Member of Parliament and a member of the Committee. The members stood in silence for a short while to pay homage to the departed soul.

3. Thereafter, the representatives of the Ministry of Finance (Deptt. of Financial Services) and Reserve Bank of India (RBI) were called in and Chairman welcomed the witnesses. The Chairman reminded the witnesses that the meeting of the Committee scheduled with the representatives of RBI at Mumbai on 8th February, 2013, had to be cancelled due to non-presence of the representative of RBI as stipulated in Direction 59(1) of the Directions by the Speaker. The Chairman informed that the Governor, RBI later tendered his apology for the same and assured that such meetings of the Committee would be attended at the highest level in future.

4. The Members sought clarifications on the issues relating to reservation in employment and welfare measures for OBCs in RBI. The following issues were *inter alia* raised by the Members:—

- (i) efforts made by RBI to fill up backlog vacancies for OBCs and steps taken to avoid such backlogs;
- (ii) the rosters being maintained for recruitment of OBCs;
- (iii) drastic fall in class III posts in RBI after 1993;

- (iv) initiative for ensuring representation of OBCs in the Board of Directors of RBI, Selection Committees, etc;
- (v) setting up of OBC Cell and appointment of Liaison Officers for OBCs; and
- (vi) representation/selection of OBCs for foreign training/assignment/symposia.

5. The witnesses replied to the queries raised by the Members. The Committee were not satisfied with the replies and the Chairman directed the witnesses to send revised replies within a fortnight for examination by the Committee.

6. A verbatim record of the proceedings of the sitting of the Committee was kept on record.

The Committee then adjourned.

APPENDIX II

MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES (OBCs) (2013-14) HELD ON 17TH DECEMBER, 2013 IN ROOM NO. 415, PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1600 hrs. to 1700 hrs.

PRESENT

Shri B.K. Handique — *Chairman*

MEMBERS

Lok Sabha

2. Dr. Charles Dias
3. Dr. (Smt.) Botcha Jhansi Lakshmi
4. Shri P.C. Mohan
5. Shri Ponnamp Prabhakar
6. Advocate A. Sampath
7. Shri Ganesh Singh
8. Shri Arun Yadav
9. Shri Hukmadeo Narayan Yadav

Rajya Sabha

10. Shri V. Hanumantha Rao
11. Shri Ashk Ali Tak
12. Dr. Bharatkumar Raut
13. Shri Shankarbhai N. Vegad

SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri N.C. Gupta — *Director*
3. Shri R.R. Kumar — *Additional Director*
4. Shri Ramesh Lal — *Deputy Secretary*

2. At the outset, the Chairman welcomed the Members of the Committee on Welfare of Other Backward Classes (OBCs) and requested them to take up the

Draft Report on the subject "Reservation in employment and welfare measures for OBCs in the Reserve Bank of India" and Draft Action Taken Report on "Action taken by the Government on the recommendations/observations contained in the Third Report (Fifteenth Lok Sabha) of the Committee on Welfare of Other Backward Classes on the subject 'Review of Welfare Measures for the OBCs and Grant of Constitutional Status to NCBC' for consideration and adoption.

3. The Committee considered and adopted the Draft Reports without any modification.

4. The Members of the Committee thereafter authorised the Chairman to present the above-mentioned Reports to the House on a date and time convenient to him.

The Committee then adjourned.