

COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES
(2011-2012)

(FIFTEENTH LOK SABHA)

TWENTIETH REPORT

ON

MINISTRY OF FINANCE (DEPARTMENT OF FINANCIAL SERVICES)

Action taken by the Government on the recommendations contained in the Eighth Report (Fifteenth Lok Sabha) of the Committee on Welfare of Scheduled Castes and Scheduled Tribes on the subject "Reservation for and Employment of Scheduled Castes and Scheduled Tribes in Punjab and Sind Bank and credit facilities provided by the Bank to them".

Presented to Lok Sabha on 27.4.2012

Laid in Rajya Sabha on 27.4.2012



LOK SABHA SECRETARIAT

NEW DELHI

April, 2012 / Vaisakha 1934 (Saka)

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INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to finalise and submit the report on their behalf, present this Twentieth Report (Fifteenth Lok Sabha) on Action Taken by the Government on recommendations contained in their Eighth Report (Fifteenth Lok Sabha) on the Ministry of Finance, Department of Financial Services regarding "Reservation for and Employment of Scheduled Castes and Scheduled Tribes in Punjab and Sind Bank and credit facilities provided by the Bank to them".

2. The draft Report was considered and adopted by the Committee on 24th April, 2012 (Appendix-I).

3. The Report has been divided into the following Chapters:-

- I Report
- II Recommendations/Observations, which have been accepted by the Government
- III Recommendations/observations which the Committee do not desire to pursue in view of replies of the Government.
- IV Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration.
- V Recommendations/Observations in respect of which final replies of the Government have not been received.

4. An analysis of the Action Taken by the Government on the recommendations contained in the Eighth Report (Fifteenth Lok Sabha) is given in Appendix - II. It would be observed therefrom that out of 44 recommendations/observations made in the report, 13 recommendations, i.e. 29.6 per cent have been accepted by the Government.

The Committee do not desire to pursue 18 recommendations i.e. 40.9 per cent of the total recommendations in view of the replies of the Government. There are 12 recommendations, i.e. 27.2 per cent in respect of which replies of the Government have not been accepted by the Committee and which require further reiteration and in respect of one recommendation final reply of the Government, has not been received.

New Delhi:

April, 2012
Vaisakha, 1934 (Saka)

(GOBINDA CHANDRA NASKAR)
CHAIRMAN
COMMITTEE ON THE WELFARE
OF SCHEDULED CASTES AND
SCHEDULED TRIBES

CHAPTER I

REPORT

This Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes deals with the action taken by the Government on the recommendations contained in their Eighth Report (Fifteenth Lok Sabha) on the Ministry of Finance, Department of Financial Services regarding "Reservation for and Employment of Scheduled Castes and Scheduled Tribes in Punjab and Sind Bank and credit facilities provided by the Bank to them".

1.2 The Eighth Report was presented to Lok Sabha on 28th July, 2010 and laid in Rajya Sabha on the same day. It contained 44 recommendations/observations. Replies of the Government in respect of all these recommendations/observations have been examined and may be categorised as under:-

- (i) Recommendations/Observations which have been accepted by the Government (Sl. Nos. 4, 9, 10, 11, 12, 13, 14, 17, 18, 36, 37, 41 & 42).
- (ii) Recommendations/Observations which the Committee do not desire to pursue in the light of the replies received from the Government (Sl. Nos. 3, 6, 15, 16, 22, 23, 25, 27, 29, 30, 32, 33, 34, 35, 38, 39, 40 & 44).
- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration (Sl. Nos. 1, 2, 7, 8, 19, 20, 21, 24, 26, 28, 31 & 43).
- (iv) Recommendations/Observations in respect of which final replies of the Government have not been received (Sl. No. 5).

1.3 The Committee will now deal with the Action Taken by the Government on those recommendations which need reiteration or comments.

Recommendation (Sl. No. 1, Para No. 1.8)

1.4 The Committee note that during the period from 28.09.1989 to 23.04.2004, Government had appointed /nominated three SC/ST Members on the Board of Directors of the Bank . However, at present there is no member from SC/ST communities on the Board of Directors of the Bank. The Committee note that some guidelines stipulating therein to give representation to persons belonging to SC/ST communities on the Board of Directors as part-time non-official Directors have been issued. Despite that no directors has been nominated from SC/ST communities on the Board of Directors after 23-04-2004. The Committee take serious view of the matter that no efforts seem to have been made by the Government in this regard. The reply of the Bank that it is fully owned by the Government and it is for the Government to appoint Directors on the Board makes it obvious that the Government is solely responsible for not nominating a Director from SC/ST communities. The Committee, therefore, recommend that the Government should appoint/nominate atleast one SC/ST on the Board as provided in the guidelines at the earliest. The Committee also recommend that the Government should always make a effort to nominate/appoint a SC/ST members on the Board as part-time Directors.

Reply of the Government

1.5 The Part-Time Non-official Directors on the Board of Directors of the Public Sector Banks are appointed as per the guidelines approved by the Appointments Committee of the Cabinet which stipulate that, ' as far as possible representation may also be given to women and the persons belonging to SC/ST community'.

1.6 Appointments that have taken place after 23.04.2004, show that members of the SC/ST Community have been represented on the Boards of Public Sector Banks as below:

Bank	Category	Community	Date of appointment
Corporation Bank	Govt. Nominee	SC	25.03.2004
Canara Bank	RBI Nominee	SC	26.08.2004
Syndicate Bank	Govt. Nominee	SC	24.09.2004
Dena Bank	Govt. Nominee	SC	25.04.2005
Bank of India	Part-time Non-official Director	SC	03.10.2005
Indian Bank	RBI Nominee	SC	03.10.2005
Central Bank of India	Part-time Non-official Director	SC	10.11.2005
NABARD	RBI Nominee	SC	16.10.2006
State Bank of Hyderabad	Govt. Nominee	SC	09.06.2008
Corporation Bank	Govt. Nominee	SC	09.12.2009
State Bank of Travancore	Govt. Nominee	SC	27.01.2010
Central Bank of India	ED*	SC	19.12.2008
Corporation Bank	CMD*	SC	01.09.2010
State Bank of India	Part-time Non-official Director	SC	01.10.2010
Bank of India	Part-time Non-official Director	ST	30.09.2005
United Bank of India	Part-time Non-official Director	ST	10.01.2006
UCO Bank	Part-time Non-official Director	ST	10.01.2006

* The ED, Central Bank of India, Shri Ramnath Pradeep was later appointed as CMD, Corporation Bank.

Comments of the Committee

1.7 The Committee are surprised to note that instead of taking action on the recommendation of the Committee regarding appointment/nomination of SC/ST on the Board of Directors of Punjab and Sind Bank and making efforts in this regard, the Government have given details of Members of the SC/ST community representing on the Board of other Public Sector Banks. The Committee therefore, reiterate their earlier recommendation that the Government should appoint/nominate atleast one SC/ST Member on the Board of Directors of Punjab and Sind Bank.

Recommendation (Sl. No. 2, Para No. 1.9)

1.8 In respect of full-time Directors, the representation of a SC/ST member on the Board seems remote, since the Government do not provide promotions for SC/ST

officers in higher scales even through Article 16(4) states that “Nothing in this article shall prevent the State from making any provisions for the reservation for the appointments or posts in favour of any backward class of citizens which, in the opinion of the State, is not adequately represented in the services under the State” and Article 16(4A) which states that “ nothing in the article shall prevent the State from making any provision for reservation in matters of promotion, with consequential seniority to any class or classes of posts in the services under the State in favour of the Scheduled Castes and the Scheduled Tribes which, in the opinion of the State are not adequately represented in the services of the State”. Having also noted that the Board of Directors review reports with regard to implementation of reservation policy for SCs and STs on annual basis, the Committee feel that having atleast one member on the Board from SC/ST categories becomes more necessary to have a representative from these communities. The Committee, therefore, recommend that in view of the constitutional mandate, the Government should provide reservation on appointment and promotion of officers in higher scales so that SC/ST officers may also get an opportunity to become functional Directors of the Bank.

Reply of the Government

1.9 Executive Directors/Chairman & Managing Directors on the Board of Directors of the Bank are appointed on the basis of recommendations of the Appointments Board and approval of Appointment Committee of Cabinet from amongst the pool of General Managers/CGMs of the public sector banks and Executive Directors of nationalized banks, respectively. Persons belonging to SC/ST community, wherever available in the feeder grades, have been promoted/appointed by the Government, as per selection process prescribed, on the Board of Directors of Banks.

Comments of the Committee

1.10 The Committee are distressed to note that Government are not at all serious in appointment of SC/ST Members on the Board of Directors of the Banks which is evident from the action taken reply of the Government. The Committee strongly recommend that in view of the constitutional mandate the Government should provide reservation on appointment or promotion of officers belonging to SC/ST in higher scales and also ensure representation of SC/ST Member on the Board of Nationalised Banks including Punjab and Sind Bank. The Committee would like the Government to regularly monitor the representation of SC/ST officials in the Board of Directors of the Nationalised Banks and whenever necessary issue directions to the Banks in this regard.

Recommendation (Sl. No. 4, Para No. 2.16)

1.11 The Committee also note that advertisement for recruitment of posts inserted in the National Newspaper and Employment News mentioning the number of posts, eligibility criteria alongwith reservation in posts as per Government policy, etc and on the Bank's internet/website for officers. In addition, for recruitment in clerical and Award Staff, the advertisement is also released in one local vernacular newspaper. The Committee, however, note that in the recruitment policy of the Bank there is no provision for announcement of vacancies through All India Radio and Doordarshan. The Committee recommend that advertisement should be inserted in more than one English and Hindi National newspaper as also widely read local vernacular newspapers in SC concentrated and tribal dominated areas including North East States for wider publicity . The Committee also recommend that examination centres should be set up nearer to SC concentrated and tribal areas especially in North East States so that they do not have to travel long distances to appear for written examination. The Committee further recommend that the advertisement for recruitment should invariably be announced on

All India Radio and Doordarshan in terms of para 7.1(iv) of the “Brochure on Reservation for SCs/STs in Services.”

Reply of the Government

1.12 The Bank takes necessary steps to ensure that the advertisement of recruitment is announced on All India Radio and Doordarshan. Efforts are made to insert advertisement of recruitment in more than one English and Hindi National newspaper as also in local vernacular newspaper in SC concentrated and tribal dominated areas which includes North East States for giving wider publicity to the advertisement of recruitment. The Bank does take care for setting up of examination centres nearer to SC concentrated and tribal areas specially in North East States .

Comments of the Committee

1.13 The Committee note with satisfaction the efforts made by the Bank to insert advertisement of recruitment in more than one English and Hindi newspaper as also in local vernacular newspapers in SC concentrated and tribal dominated areas which includes North Eastern States for giving wider publicity to the advertisement of recruitment. The Committee also note with satisfaction that the Bank takes care for setting up of examination centres nearer to SC concentrated and tribal areas especially in North Eastern States. The Committee hope that the Bank should continue with this arrangement in letter and spirit in future also and try to give as much publicity to the advertisement of recruitment through all possible means to ensure that it reaches to end-users.

Recommendation (Sl. No. 5, Para No. 2.17)

1.14 The committee observe from the details of recruitment at para 2.13, that recruitment was conducted in the year 2006 only when 43 SC and 40 ST in officer category , and 16 SC and 5 ST in clerk and sub-staff categories respectively had been

recruited. It seems that SC/ST persons recruited were against the carry forward vacancies from the year 2005. The Committee are distressed to note that the Bank had to resort to Special Recruitment Drive after accumulating SC/ST posts over the years. The Committee strongly recommend that the SC/ST vacancies should be filled up within the same recruitment year. If sufficient number of suitable SC/ST candidates do not become available to fill up the vacancies reserved for them in the first attempt of recruitment, another attempt should be made in the same recruitment year so that no backlog vacancies are created. The Committee also strongly recommend that the Bank should maintain separate data for current vacancies and backlog vacancies for Direct Recruitment so that there is no confusion in shortfall and backlog vacancies. The Committee note that despite the Special Recruitment Drive , there are still 46 ST posts in officer category and 2 SC posts in clerk category lying vacant . The Committee strongly recommend that all backlog vacancies of 46 ST post and 2 SC posts should be filled up at the earliest and the outcome thereof should be furnished to them.

Reply of the Government

1.15 The process of direct recruitment for filling up of 815 vacancies including backlog of 46 ST & 02 SC vacancies in Officer Cadre (Scale-I,II,& III) and Clerical cadre respectively had already been initiated by the Bank and the on going process is nearing completion. The details of the backlog of SC/ST vacancies being filled in the on- going recruitment process will be provided to the Committee. In case the SC/ST vacancies remains unfilled in the current recruitment process due to non-availability of sufficient number of suitable SC/ST candidates, the Bank will make efforts to conduct another attempt of recruitment in the same year in order to fill the above SC/ST vacancies .

Comments of the Committee

1.16 The Committee would like to be apprised about the latest status of the backlog of 815 vacancies including of 46 ST and 02 SC vacancies in officers cadre (scale I, II and III) and clerical cadre respectively for which process of direct recruitment had already been initiated by the Bank.

Recommendation (Sl. No. 6, Para No. 2.27)

1.17 The Committee note as on 01.01.2008 except in Sub-staff category, there was shortfall of SC in the categories of Officers and Clerks and that of ST in all categories of posts. According to data provided in paras 2.18 and 2.19 above, there was shortfall of 3.68% of SC and 4.20% of ST in officers category. In respect of clerks and sub-staff categories of posts, although there is change in data at para 2.18 and 2.19, yet there is huge shortfall of SC and ST in Clerical posts and of ST in Sub-staff category of posts. It is matter of great concern that there is a huge shortfall of 11.10% of SCs and 5.89% of STs in clerical category of posts as also shortfall of 4.82% of ST in sub-staff category. The Committee are not convinced by the reply that the shortfall of SC/ST is due to restrictions imposed by the Government on Direct Recruitment for the posts and that the gap in percentage in prescribed reservation is due to the fact that reservations were made applicable in the Bank from the date of nationalization. The Committee are also not sure whether in subsequent recruitments after nationalization, the Bank has been filling up appropriate reserved quota of SCs and STs in all categories as mentioned in the reply. It is now almost 30 years since the nationalization of the Bank and introduction of reservation policy therein. In fact, by this time the required percentage of SCs and STs should have been employed in the Bank. However, there is still shortfall of SCs and STs in all categories of posts as on 1.1.2008. The Committee are especially amazed by huge SC shortfall in clerical posts. While the usual line of reasoning of the Government is non-availability of STs against their reserved posts, the Committee

observe that in case of the Punjab & Sind Bank, there is not many SCs too in Clerical category. The Committee find it strange that there is shortfall of 11.10% of SC in the Clerical category even though most of branches of the Bank are located in States where there is no dearth of SC population. The Committee are, therefore, of the view that it is a matter of gross mismanagement in implementation of reservation policy which has resulted in huge shortfall of SC and ST in clerical category. The Committee, therefore, recommend that the matter should be thoroughly enquired into so as to know as to how out of 15%, there is shortfall of 11.10% of SCs and out of 7.5% there is shortfall of 5.8% of STs in clerical category as on 1.1.2008. Similarly, the shortfall in case of Officers and Sub-staff needs to be looked into. The outcome of the enquiry should be apprised to the Committee. The Committee also urge the Punjab & Sind Bank and the Ministry of Finance to chalk out a strategy to fill up SC/ST shortfall in all categories of posts within a time frame through Special Recruitment Drive and apprise the Committee of the action initiated in this regard within three months of the presentation of this report to Parliament.

Reply of the Government

1.18 The Bank has informed that the shortfall of 11.10% of SC in clerical cadre is due to the fact that a large number of clerical staff belonging to SC category have been promoted to officer cadre in scale – I and also due to restriction/ban on recruitments in the past. Bank is determined to fill the backlog/shortfall of SC/ST vacancies through fresh direct recruitment drive for which the process of 2nd phase of recruitment project for appointment of 700 Officers and 300 Clerks (including backlog of SC/ST vacancies) has been initiated in the month of October 2010.

1.19 Besides, the Bank is making allout efforts to fill the shortfall of SC/ST vacancies in clerical and officer cadre in a phased manner by conducting Special Recruitment Drive for SC/ST.

Comments of the Committee

1.20 The Committee desire to know the outcome of the second phase of recruitment for appointment of 700 officers and 300 clerks (including backlog of SC/ST vacancies) initiated by the Bank in the month of October, 2010. The Committee would also like to be apprised of the details about the Special Recruitment Drive for SCs/STs during recent past and also if any time frame has been finalized by the Bank to clear the backlog.

Recommendation (Sl. No. 7, Para No. 2.28)

1.21 The Committee are also surprised by the reply that when it queried as to whether any time frame for clearing of SC/ST shortfall has been fixed, it was casually replied that the Bank is in the process of undertaking another Special Recruitment Drive for filling up the backlog of 46 ST vacancies in Officers cadre within a year. The Committee are

concerned not only about backlog of SC and ST vacancies , but concerned about shortfall of SC and ST in every recruitment and promotion year. It seems that the Ministry and the Bank are interchanging backlog vacancies and shortfall and trying to confuse the Committee. How the shortfall as on 1.1.2008 can be mixed up with backlog of 46 ST vacancies which resulted after Special Recruitment Drive carried out in the years 2005 and 2006. The Committee feel that by not filling up the SC/ST vacancies for years together, the Bank has been taking away the constitutional rights of the SC/ST unemployed youths. The Committee feel that by mixing up shortfall and backlog vacancies together, the Bank has tried to mislead them. The Committee, therefore, recommend that the Ministry of Finance should ensure that the Bank revises the backlog and shortfall vacancies of SC/ST as on 31-03-2008 and continues to maintain separate record for shortfall and backlog vacancies in future too. The Committee should also be apprised of the action taken in this regard.

Reply of the Government

1.22 The Bank is taking appropriate steps/measures to maintain separate records of backlog and shortfall of SC/ST vacancies as on 31.03.2008.

Comments of the Committee

1.23 The Committee would like to be apprised about the present status of backlog and shortfall vacancies for all Group of Posts separately within three months from the date of presentation of this Report.

Recommendation (Sl. No. 8, Para No. 2.29)

1.24 The Committee also note that backlog of 46 ST vacancies in the officer cadre could not be filled up due to non-availability of suitable candidates. The Committee note that lack of “suitable” candidates has been often been cited as one of the reasons for not filling up the reserved vacancies. The Committee desire to be explained as to what constitutes “suitability” for each of the vacancy mentioned in the report for which the Bank has not selected candidates citing non-availability of suitable candidates. The Committee would like to be apprised about the details of 46 ST vacancies in officers cadre for which the Bank was in the process of undertaking another special recruitment drive.

Reply of the Government

1.25 In the year 2006, Bank had initiated Special Recruitment Drive for filling up of Backlog of 86 ST vacancies in officer cadre pertaining to the period w.e.f 02-07-1997 to 01-07-2004 and in the special drive 40 vacancies of ST were filled and 46 ST vacancies were remaining unfilled due to the reason that these remaining ST candidates were not able to secure the minimum qualifying marks allocated in the interview for selection. Bank has included this backlog of 46 ST vacancies in the on going direct recruitment process which is in the final stage of completion .A second attempt has been initiated by the Bank to fill these backlog vacancies along with the fresh vacancies in direct recruitment. It is expected that all backlog vacancies shall be filled up by 31.03.2011.

Comments of the Committee

1.26 The Committee would like to be apprised about the status of the backlog of 46 ST vacancies (post-wise) for which a deadline of 31.03.2011 has been given by the Bank to the Committee.

Recommendation (Sl. No. 9, Para No. 2.37)

1.27 The Committee note that the Punjab & Sind Bank had negotiated and settled promotion policies duly approved by the Board of Directors of the Bank in vogue for all Officers, specialised Officers, Clerical and Subordinated staff. It has been stated that the promotion policies are framed in such a manner that no Government guidelines/rules are flouted and due reservations/relaxations are provided to SC/ST candidates. The Committee, however, are perturbed to note that there was shortfall of 29 SC and 15 ST during the year 2007 and of 57 SC and 30 ST during the year 2008 in promotion from clerical of officers (JMGS-I) category. In case of promotion from Sub-staff to clerical category, there was shortfall of 1 ST during the year 2007 and 1 SC and 2 ST during the year 2008. The reason stated for the shortfall is that not sufficient STs were found in feeder cadre. According to Annual Report 2007-2008, there were promotions of 526 employees. When asked as to the number of SC/ST out of 526 employees promoted, it was replied in post evidence reply that it included 29 SC and 10 ST in Officers category and 2 SC in clerical category. However, these figures do not seem to match with the data for promotion as provided for the years 2007 and 2008 at para 2.31. The Committee feel that the Ministry and the Bank are not at all sincere in projecting the actual picture. The Committee, therefore, recommend that an explanation should be given as to how there is mismatch in the number of SC and ST promoted in Officers and Clerical categories for years 2007 and 2008. The Committee recommend that all SC/ST backlog vacancies i.e. 86 and 45 in Officers category and 1 SC and 3 ST

in clerical category, which have been accumulated during year the 2008 should be filled up by conducting Special Recruitment Drive in a time bound manner. The outcome of the same should be apprised to the Committee.

Reply of the Government

1.28 The Bank has informed that in the year 2007-08 (01-04-2007 to 31-03-2008) it had promoted 526 candidates in various cadres out of which 31 SC and 10 ST employees were promoted as per details hereunder:

S.No.	CADRE	TOTAL NO EMPLOYEES PROMOTED	OUT OF WHICH		REMARKS
			SC	ST	
1.	Officers (Scale I to VII)	364	25	10	SC/ST selected by applying Zone of consideration
2.	Clerical to Officer (Scale-I)	154	4	-	SC/ST selected by providing reservation
3.	Sub-staff to Clerical	8	2	-	-do-
TOTAL		526	31	10	

1.29 The Bank had reported the correct figures of total employees promoted and number of SC/ST candidates selected, to the Parliamentary Committee as per detail given above. However, the figure of promotion within the officer cadre from scale-I to scale-VII was not elaborated inadvertently at Para 2.31 as reservation is not applicable in promotion within the officer cadre and only principle of Zone of Consideration is applicable. The Bank will consider filling up the backlog vacancies in the future promotion process.

Comments of the Committee

1.30 The Committee observed that the figures of promotion within the officer cadre from Scale-I to Scale VII were not elaborated inadvertently as reservation is not applicable in promotion within the officer cadre and only principle of zone of

consideration is applicable. The Committee are of the view that in future special care should be taken while furnishing the information to the Parliamentary Committee to ensure that it is factual and complete. The Committee would also like to be apprised about the latest position of backlog vacancies of SCs/STs in promotion in the Punjab and Sind Bank.

Recommendation (Sl. No. 11, Para No. 3.15)

1.31 The Committee observe that the Ministry of Finance to ensure that reservation orders issued in favour of SCs/STs are actually implemented in Public Sector Banks have appointed a Chief Liaison Officer (CLO), who conducts periodical inspections of the Banks, checks and verifies the reservation rosters maintained by the Banks. Other relevant records, registers etc. are also inspected by the CLO from time to time. The Committee, however, note that the CLO inspected the Punjab & Sind Bank only twice i.e. on 6-8-2005 and 30-04-2008. The Committee feel that the Ministry of Finance (Banking Division) should draw a schedule of all Public Sector Banks including Punjab & Sind Bank, so that the CLO, with the assistance of Officers of Banking Division, could inspect the roster registers maintained by the Banks atleast once in a year. The Committee, therefore, recommend that the Ministry of Finance (Banking Division) should ensure regular annual visits by its Chief Liaison Officer to all Public Sector Banks including Punjab & Sind Bank so that he may be able to check roster registers and see that reservation orders are properly implemented in all Nationalized Banks.

Reply of the Government

1.32 As per the recommendation of the Committee, regular/periodical visits by the Chief Liaison Officer (CLO) of the Ministry of Finance are being made so as to check the roster registers and see that reservation orders are properly implemented in all the public sector banks.

Comments of the Committee

1.33 The Committee would like to be apprised about the details of the visits of the Chief Liaison Officer (CLO) of the Ministry of Finance to the Punjab and Sind Bank during the last three years and also the findings and the action taken by the Bank thereon.

Recommendation (Sl. No. 14, Para No. 3.25)

1.34 The Committee are pleased to note that pre-recruitment training is being given to SC/ST candidates by the Bank. During the year 2005, the Bank has provided pre-recruitment training to 77 SC/ST candidates, out of which 16 ST candidates are reported to have been selected. The Committee also note that in service training is imparted by Punjab & Sind Bank to all employees including SC/ST employees to make them aware of changing scenario in the Banking Industry and keep them updated with policies, latest government guidelines, system procedure and development. The Committee recommend that the Bank should provide in-service training to all its SC/ST employees. The Committee also note that the Bank give pre-promotional training to SC/ST employees. During the year 2005 to 2007, several number of SC/ST employees were given pre-promotional training. The Committee, however, note that the number of promotion given to SC/ST employees during the period does not seem to reflect the effect of the pre-promotional training. The Committee feel that the objective of pre-promotional training to SC/ST would be defeated if they do not pass the pre-promotional examination and interview. The Committee are, therefore, of the view that the pre-promotional training should not be a formality. The Committee, therefore, recommend that the pre-promotional training should be of adequate duration so as to cover all the

topics which are required to be prepared for the pre-promotional examination and interview.

Reply of the Government

1.35 It is the Bank's endeavor to provide in-service training to all SC/ST employees of the Bank. Further, comprehensive pre-promotional training programme are conducted for SC/ST employees by learned and experienced faculty at Staff Training College covering all the topics which are required to be prepared for the pre-promotional examination and interview so that they may get through the examination and interview. The training is usually for a minimum period of six days covering all the topics and conducted at different locations including centre which are nearer to SC concentrated and tribal areas so that they do not have to travel long distances.

Comments of the Committee

1.36 The Committee are not convinced by the reply furnished by the Bank that pre-promotional training is usually for a minimum period of six days covering all the topics. The Committee had specifically recommended that pre-promotional training should be of adequate duration so as to cover all topics which are required to be prepared for the pre-promotional examinations and interviews. The duration of training should be suitably increased. The Committee also like to be informed as to how actually SC/ST employees of the Bank were given pre-promotional training for last three years and how many of them could be able to pass the pre promotional training & interview.

Recommendation (Sl. No. 18, Para No. 3.47)

1.37 The Committee note that SC/ST Cells at the Bank's Head Office as well as in every Zonal Office are looking after the redressal of grievances of SCs/STs. Quarterly meetings with the Welfare Council of SC/ST are also being regularly held at the Head Office. At the Head Office, Chief Liaison Officer and at Zonal Offices, Zonal Managers as Liaison Officers are the competent authorities of redressal of grievances of SCs/STs. The Committee appreciate that none of the complaint/grievances received by the Bank during the years 2005 to 2007 is pending for redressal. The Committee also note that grievances/representation of SC/ST employees received in the Ministry are taken up with the Management of the Bank and efforts are made to settle the same amicably as far as possible. Further, the Management of the Bank concerned is also directed to take corrective action in this regard.

Reply of the Government

1.38 It is submitted that Bank duly observes uniformity in all matters including matters of grievances/redressal concerning its employees including SC/ST employees.

Comments of the Committee

1.39 The Committee note that the Bank observes uniformity in all matters including matters of grievances/redressal concerning its employees including SC/ST employees. However, the Committee should be apprised of the latest position of pending complaints/grievances of SC/ST employees of the Punjab and Sind Bank.

Recommendations (Sl. No. 19, Para No. 3.48 and Sl. No. 20, Para No. 3.49)

1.40 The Committee also note that the Bank had received a representation from Shri P.N.Choudhary belonging to SC category, Ex-Manager, through this Committee, Ministry of Finance and the National Commission for Scheduled Castes. The Bank has

reported that the representation was misleading and devoid of facts as Shri Chaudhary was not dismissed from the service on false charges as alleged by him. It was further stated that certain serious irregularities were committed by him for which he was chargesheeted. A departmental enquiry was conducted and allegations were established on the basis of documentary as well as oral evidence. During the enquiry, he was given fair opportunity to put his case and defend himself. The Committee also note that out of 24 charges leveled against Shri Chaudhary , 22 were held fully proved and one has partially proved by the inquiry officer. However, the Disciplinary Authority, after independent application of mind on the inquiry report , the oral and documentary evidence adduced in the case of declared 17 charges as fully proved 5 as partially proved. No other officer of the Bank has been held accountable for charges levied against Shri Choudhary. Also, no false and fabricated documents and evidence were used against Shri Chaudhary during the course of inquiry.

1.41 The committee observe that the Bank authorities had taken action against Shri Chaudhary based on the report submitted by the Disciplinary authority. The case had not been referred to either CBI or an independent investing agency as requested by the accused officer citing unfair inquiry conducted by the Disciplinary Authority. The Bank authorities had been accused of meting out differential punishment to officials who belong to Scheduled Castes/Scheduled Tribes and others, often leading to major punishments to the officials from oppressed society and minor punishments to others even after agencies like CBI confirming their fraudulent acts. The Committee feel that such a situation, if found to be true, does not augur well for the ethos and ideas that are enshrined in our constitution that provides special protection to the Scheduled Castes and Scheduled Tribes and equality before law. The Committee, therefore, want the Bank to furnish detailed reply about fraudulent activities found to have been committed,

inquiry/investigation done, nature of crime committed, quantum of money involved and punishment meted out to each one of them, during the years from 2005 to 2009.

Reply of the Government

1.42 The accusation leveled against the Bank authorities of being biased in meting out different punishment to officials who belong to Scheduled Castes/Scheduled Tribes and often lead to major punishment to the officials from oppressed society and minor punishment to other is strongly denied by the Bank.

1.43 There is no reality in the said accusation against the bank authorities. The record for the period 2005 to 2009 reveals that there had been 93 cases where major punishments of Dismissal/Compulsory Retirement/Removal from services were imposed upon the officials, involved in fraudulent activities laced with malafide intention. Out of these, 73 belonged to the General Category and 20 to SC/ST category. Moreover, the imposition of penalty is based upon outcome of the Enquiry proceeding , which is conducted as per Provisions of Bi-partite Settlement or in accordance to the Discipline and Appeal Regulations, as the case may be. The money/loss involved is not the only factor while deciding the quantum of punishment. The severity of punishment is decided independently by the Disciplinary Authority after considering other factors like charges proved, intent, nature of lapses i.e. procedural or malafide , repetition of lapses, concealment of facts and the loss/likely loss to the bank, if any, and that too after seeking concurrence from the Vigilance Department. Hence the accusation against the authorities does not contain any merit and is void *ab initio*.

Comments of the Committee

1.44 The Committee are surprised to note that the recommendation of the Committee has not been considered seriously. The Committee had specifically desired a detailed reply about the fraudulent activities found to have been committed, inquiry/investigation done, nature of crime committed, quantum of money involved and punishment meted out to each one of them during the years 2005 to 2009. The Committee, therefore, reiterate their earlier recommendation and desire that the requisite information may be furnished within three months of the presentation of this Report.

Recommendation (Sl. No. 21, Para No. 3.50)

1.45 The Committee observed that the case of Shri Chaudhary was not referred to other independent agency or CBI for their inquiry, as agreed to by the Bank, in a meeting held on 19-03-2008 with them. A necessity arises particularly when Shri Chaudhary had alleged that the inquiry against him was biased and not fair. The plea of the Ministry is that they have carefully examined the case and has come to the conclusion that in the light of the clarifications provided and due to the fact that the stipulated procedures have been followed in the inquiry and in disposal of appeal no further action needs to be taken. The Ministry has further stated that to conduct Departmental enquiry is a quasi-judicial procedure and there is no scope for interference issue of directions to Disciplinary Authority. The Committee feel that in order to completely do away with any iota of subjectivity of inquiry and judgement since the whole inquiry and decision were taken by the Bank's own officials, an independent inquiry in this case should be conducted by an independent investigative agency instead of Punjab & Sind Bank. The Committee would also like to know the present status of the case.

Reply of the Government

1.46 It is submitted that Shri Chaudhary was dismissed from Bank's services vide DA, ZM New Delhi-I order dated 13-09-2007 on account of his proven misconduct of gross financial irregularities committed by him while working as Incharge of Branch Office Loni. The irregularities included fraudulent transactions. His appeal was rejected by the Appellate Authority, GM(P) vide order dated 04-06-2008. Subsequently he filed a Review Petition dated 30-06-2008 which was found to be devoid of any new facts. However, the Reviewing Authority, taking a lenient view on humanitarian ground, modified the penalty from Dismissal to Compulsory Retirement. The Disciplinary Action against Sh. Chaudhary has been done away in accordance with the PSB Officer Employees' (D & A) Regulations, 1981, which is a statutory Regulation and there is no further remedy after the Review. While all stipulated procedures have been followed in the inquiry and in disposal of the appeal, it is felt that no further action needs to be taken.

The Bank does not feel any necessity to re-investigate the case from any outside agency.

Comments of the Committee

1.47 The Committee are distressed to note that despite their recommendation for conducting an independent inquiry in Shri P.N. Choudhary case, the Bank replied that the disciplinary action against Shri Choudhary has been done away with in accordance with the PSB Officer Employees (D&A) Regulations, 1981 which is a Statutory Regulation and there is no further remedy is available after the review while all stipulated procedures have been followed in the inquiry and in disposal of the appeal. The Bank feels that no further action needs to be taken

and there is no need to re-investigate the case from any outside agency. The Committee reiterate their recommendation for re-investigating the case from an independent outside agency in the interest of justice..

Recommendation (Sl. No. 22, Para No. 4.9)

1.48 The Committee note that credit to SCs/STs is part of lending to weaker sections under Priority Sector lending of the Banks. The Committee also note that reservations and relaxations for SC/ST beneficiaries exist under certain Central Government sponsored schemes. However, they observe that there are limitations on project cost/housing loans, etc. upon which the subsidies/concessions are extended to SC/ST beneficiaries. For example, under Swarjayanti Gram Swarozgar Yojna (SGSY), apart from reserving fifty percent of the scheme for SC/ST beneficiaries, a subsidy amount of fifty percent of the project cost with a maximum of Rupees ten thousand has been prescribed. In the opinion of the Committee, such limitations are to be reviewed periodically, considering the increase in cost of inputs, inflation, etc. Therefore, the Committee recommend that the limitations under such schemes upon which concessions/subsidies are extended should be increased based on the factors mentioned above.

Reply of the Government

1.49 The schemes are formulated and circulated to Bank by the Government of India and same are implemented as per the guidelines.

Comments of the Committee

1.50 The Committee are not satisfied with the casual reply furnished to the Committee by the Bank. The Committee reiterate their earlier recommendation that Government should review the limitations under the schemes upon which concessions/subsidiaries are extended and the same should be increased, keeping in view the changing situations.

Recommendation (Sl. No. 23, Para No. 4.10)

1.51 The Committee note that in case of Swarn Jayanti Shahari Rojgar Yojana nothing has been said about the maximum amount that can be advanced to the beneficiaries and the subsidy amount that is available to SC/ST beneficiaries. As the scheme is meant for urban unemployed youth, the Committee urge the Government to undertake this project more vigorously in tribal dominated areas including north east States. The Committee also recommend that the amount of loan and subsidy allowed are realistic enough for undertaking the project and should be revised from time to time. In case of PMRY, it has been stated that since 2008-09, it has been merged with Rural Employment Generation Programme (REGP) into a new scheme, i.e. Prime Minister's Employment General Programme (PMEGP). The Committee, therefore, recommend that details of this Scheme including reservations and relaxations given to SC/ST beneficiaries should be made available to them.

Reply of the Government

1.52 The PMRY scheme has been merged with Rural Employment Generation Programme (REGP) into a new scheme PMEGP. The scheme has been formulated by the GOI and guidelines issued are being followed by the bank and implementing agency is KVIC and in case of SJSRY is RBI. The Bank is the implementing agency as the scheme is formulated by Ministry of Housing & Urban Poverty Alleviation.

Comments of the Committee

1.53 The Committee specifically recommended that the amount of loan and subsidy allowed should be realistic enough for undertaking the project and should be revised from time to time. The reply of the Government is silent in this regard. The Committee desire that proper reply in this regard should be submitted before the Committee within three months of presentation of this report.

Recommendation (Sl. No. 24, Para No. 4.25)

1.54 The Committee note that credit flow to SCs/STs from Public Sector Banks is being monitored by the Department of Financial Services as of March 2008 onwards. A Credit Monitoring Cell in the Department is monitoring the progress of credit extended to SCs/STs as a part of lending to weaker sections under Priority Sector Lending of the Banks. It has further been stated that monitoring of progress is being done at State Level Bankers Committee (SLBC) level through Quarterly reporting by Convener Banks of SLBC and participation in SLBC meetings. Further, as a part of monitoring/review mechanism, RBI is issuing instructions to all Scheduled Commercial Banks to implement the Schemes to achieve the targets set under different Schemes and play active role for implementation. Further, the Committee note that RBI is also monitoring the credit flow to SCs/STs under priority sector through the half yearly and annual priority sector returns from the Banks. RBI is also monitoring performance of Scheduled Commercial Banks in credit lending to SCs/STs under various schemes such as SGSY, SJSRY, SLRS/SRLS etc. through receipt of monthly/quarterly progress reports and half yearly recovery statements from Banks. The Committee also note that Punjab & Sind Bank has a separate Priority Sector Advances Department headed by a General Manager. The Department looks after the advances covered under priority

sector segment as per the stipulation of the Government. The Committee note that in the Master Circular on priority sector lending – credit facilities to SCs and STs issued by the RBI dated 1st July, 2009 to all the scheduled commercial banks, it has been specifically stated that a Special Cell should be set up at the head office of banks for monitoring the flow of credit to SC/ST beneficiaries. Apart from ensuring the implementation of RBI guidelines, the Cell would also be responsible for collection of relevant information / data from the branches, consolidation thereof and submission of the requisite returns to RBI and Government. The Committee, however, note that presently Punjab & Sind Bank does not have a Special Cell. The Committee, therefore, recommended that Punjab & Sind Bank should set up a Special Cell to monitor flow of credit to SC/ST beneficiaries at the earliest so that it may fulfill the job entrusted to it as per the instruction given by RBI. The Committee also urge RBI to ensure that all the public sector banks including the Punjab & Sind Bank follow the instruction issued by them in letter and spirit so that the objective of monitoring priority sector lending to weaker sections especially SC/ST beneficiaries may be met effectively.

Reply of the Government

1.55 The Bank has set up SC/ST Cell at Head Office Priority Sector (Advances) Deptt. to monitor the flow of credit to SC/ST beneficiaries. The SC/ST Cell ensures the implementation of RBI guidelines and regular collection of relevant information/data from branches and submission to RBI after consolidation.

Comments of the Committee

1.56 The Committee are not satisfied with the reply of the Government. The Committee had specifically urged the RBI to ensure that all the public sector banks including the Punjab and Sind Bank follow the instructions issued by them in letter and spirit so that the objective of monitoring priority sector lending to weaker sections especially SC/ST beneficiaries may be met effectively. The reply mentioned only about the Punjab and Sind Bank. The Committee desired the Comments from Ministry of Finance as well as RBI. The Committee, therefore, reiterate their earlier recommendations.

Recommendation (Sl. No. 26, Para No. 4.34)

1.57 The Committee are also not convinced by the reply of the Ministry in regard to performance of the Bank that there appears to be growth in advances of SCs/STs. If there is an actual increase in the advances to SC/ST beneficiaries, there would have been a corresponding increase in share of SC/ST beneficiaries too. Further, there is no mention of total number of weaker sections to which bank advances were given vide statements at para 4.26. It is, therefore, difficult to compare and accept the percentage figure of SC/ST beneficiaries as furnished. The Committee also note that no separate share of SCs/STs has been fixed in the 10% of the total advances earmarked for weaker sections. The Committee, therefore, recommend that the Government should ensure that Punjab & Sind Bank takes immediate necessary measures and their shares in the bank credit do not fall below 22.5% of the total share within the weaker sections under priority sector advances.

Reply of the Government

1.58 Regarding fixing of share to SC/ST in Bank advances 10% earmarked for weaker sections, the Bank has stated that all efforts are being made to achieve the target of 10% to weaker section of Adjusted Net Bank Credit (ANBC).

Comments of the Committee

1.59 The Committee note with satisfaction that the Bank has stated that all efforts are being made to achieve the target of 10% credit to weaker section under the Adjusted Net Bank Credit (ANBC). However, the Committee would like to reiterate that Bank should ensure necessary measures and their shares in the Bank credit do not fall below 22.5% of the total share within the weaker sections under priority sector advances. The Committee would like to be informed about the measures being taken by the Bank in this direction.

Recommendation (Sl. No. 27, Para No. 4.40)

1.60 The details of disbursement made by the Bank under various Government sponsored schemes show that the Bank could not achieve target fixed for beneficiaries in all the schemes. The position of advances to SC/ST beneficiaries was even worse except in case of SGSY Schemes where the number of SC/ST beneficiaries was little higher than 40% and more. The Committee urge the Bank to review as to why the targets fixed by it for the number of beneficiaries could not be achieved during the year 2005-08 and the reasons as to why very few SC/ST have been benefited. The Committee also recommend that the Bank should make earnest efforts to popularize all the Government sponsored Schemes, especially in SC/ST dominant areas through local newspapers, electronic media etc.

Reply of the Government

1.61 The Loan applications under Government sponsored cases are received by the Bank from the concerned sponsoring agencies. Targets are also fixed by concerned agencies operating at Block/District level. All the loan applications which are bankable and where applicant is willing to undertake the activity are sanctioned and disbursed. The bank has circulated guidelines also during the locational short duration courses of Rural Branch Managers to the field functionaries for popularizing and creating awareness of the loan Schemes among the SC/ST population in coordination with the local District authorities. The Bank has also sensitized its Rural Self Employment Training Institutes (RSETIs) at Lead Districts of Ludhiana, Moga and Faridkot in the State of Punjab, for educating BPL/SC/ST – Trainees to apprise them about sponsored schemes available.

Comments of the Committee

1.62 The Committee had urged the Bank to review as to why targets fixed by it regarding the number of beneficiaries could not be achieved during the year 2005-2008 and the reasons as to why very few SC/ST had been benefitted. The reply of the Bank is silent in this regard. The Committee desire comments in this regard. The Committee also like to be apprised about the status for the year 2008-2009 and 2010-2012.

Recommendation (Sl. No. 28, Para No. 4.41)

1.63 Further, the Committee note that as regards the progress reports in respect of the implementation of the Government sponsored schemes being submitted by the Bank no significant shortcomings and inconsistencies as such which are substantially at variance with those observed in the case of the other public sector banks had been observed. However, the Committee desire to know the shortcomings and inconsistencies that had been observed in the performance of all the Public Sector

Banks as a whole and how it compares with the Punjab & Sind Bank. The reply may be given with detailed statistics with percentage.

Reply of the Government

1.64 The bank is implementing the Central/State sponsored schemes and has sent instructions to the Zonal managers that all the District Coordination Committee (DCC)/District Level Review Committee (DLRC) meeting must be attended by the senior officials and schemes are implemented and monitored on the regular basis. The progress of the schemes are sent periodically to the Government on the prescribed formats.

Comments of the Committee

1.65 The Committee are not able to understand the plea of the Government that the Bank is implementing the Central/State sponsored schemes and has sent instructions to the Zonal Managers that all the District Coordination Committee (DCC) District Level Review Committee (DLRC) meeting must be attended by the Senior Officials and schemes are implemented and monitored on regular basis. The Committee had specifically desired to know the detailed statistics with percentage about the shortcomings and inconsistencies that had been observed in the performance of all the Public Sector Banks as a whole and how it compares with the Punjab and Sind Bank. The information asked for was not furnished. The Committee, therefore, reiterate their earlier recommendation.

Recommendation (Sl. No. 30, Para No. 4.44)

1.66 The Committee note that artisans get credit upto Rs.2 lakh irrespective of their location under ACC scheme whereas under GCC scheme, the credit given is only Rs.25,000/-. Under GCC Scheme, total number of outstanding account and outstanding amount as on 31.3.2008 are 226 and Rs.61.08 lakh whereas as on 31.12.2008 i.e. after nine months, the total outstanding account and the amount has decreased to 170 and Rs.42.01 lakh. The position in regard to SCs/STs is also similar as their number has come down from 49 to 37 and their outstanding amount from Rs.13.02 lakh to Rs.9.14 lakh during the same period. The Committee should be apprised as to why there is decline in the total outstanding number of account and amount within nine months from 31.3.2008 to 31.12.2008 in case of GCC scheme. The Committee feel that credit given under GCC Schemes is not adequate. The Committee recommend that the credit amount should be realistic and revised upwardly periodically so that the artisans may be able to create / expand their work profitably. The Committee also recommended that whatever scheme for weaker sections is undertaken, the Bank should also carry out wide publicity of the same otherwise it is futile to have such Scheme in name only.

Reply of the Government

1.67 As the General Credit Card (GCC) is issued in the rural and semi-urban areas the product cash flow linked without collateral security and borrowers adjust the accounts on harvesting of crop. The GCC scheme has been formulated by the RBI including the amount of Loan to be given. Banks are sensitizing the Branch Managers of rural and semi urban branches in their monthly meetings for increasing awareness and popularizing the Scheme.

Comments of the Committee

1.68 The outcome of the monthly meetings of Branch Managers with regard to popularizing the schemes for last one year may be furnished to the Committee.

Recommendation (Sl. No. 31, Para No. 4.46)

1.69 The Committee note that for low cost housing the Bank is implementing Indira Awaas Yojana (IAY) where SC/ST beneficiaries are specifically benefited. However, no details of credit given to SC/ST beneficiaries under the Scheme were provided. The Committee should, therefore, be provided with the details of credit and subsidy allowed to SC/ST beneficiaries under IAY during the year 2005-06 to 2009-2010. The Committee note that the Bank has fixed a target to give credit under GJRHS. However, it is noted that the Bank did not achieve the target during the period for which the details have been provided. The Committee are of the view that the target for reaching the beneficiaries should be fixed only after carrying out the survey so that only genuine beneficiaries are benefited.

Reply of the Government

1.70 The scheme to provide housing loan to the beneficiaries of Indira Awaas Youjana (IAY) was started in the year 2007. Application for housing loan is being sponsored to the bank's branches by the IAY implementing agency. The details of credit allowed under IAY scheme is as under:

Year	Application Received	Application Sanctioned		% to SC/ST
		No.	Amt. in lacs	
2007-08	NIL	--	--	--
2008-09	NIL	--	--	--
2009-10	11	11	2.08	100%
2010-11(31.07.2010)	NIL	--	--	--

Further, regarding fixing of TARGETS under Golden Jubilee Rural Housing Scheme (GJRHS), National Housing Bank (NHB) is the implementing agency.

Comments of the Committee

1.71 The Committee are happy to note that during the years 2009-2010, 11 application were received under IAY Scheme and all of them sanctioned by Bank. The Committee would like to be apprised about the status of application received during the years 2010-2011.

Recommendation (Sl. No. 32, Para No. 4.50)

1.72 The Committee observe that during the years from 2004-05 to 2007-08 only 764 students out of 16246 belonging to SC/ST communities availed of the loan facilities provided under the Education Loan Scheme. The Committee note that the number of beneficiaries and the amount of education loan has increased over the years but the number of SC/ST students who were given education loan is still few. Keeping in mind that more SC/ST students may like to avail education loan in future, the Committee recommend that the Bank should consider giving concessions/relaxations in favour of SCs/STs students and also making the Educational Loan Scheme more popular among them. The Committee further recommend that wide publicity of the Education Loan Scheme may be made by the Bank to ensure that it reaches the SC/ST people so that the performance of the Bank in this regard is improved.

Reply of the Government

1.73 Bank's Education Loan Policy has been formulated based on the model suggested by IBA following Government guidelines in this regard. No additional conditions have, however, been imposed. As per the policy, eligible students can avail

education loans up to Rs.10 lac and Rs.20 lac for undertaking studies in India and abroad respectively. **No discrimination is made over caste, religion and State or region.**

1.74 The education loan policy contains various liberal norms such as giving concession of 2% in interest during moratorium period (if interest is serviced) as against 1% concession given by majority of other banks. There is a provision for concession of 0.50% for girl students also.

1.75 Further, Bank has developed a mechanism facilitating students to lodge education loan application Online through Bank's website. There is also a provision on Bank's website whereby student can know the status of his loan application. The prominent features of the Bank's Education Loan Scheme are also placed on Bank's website enabling students to have access of the Bank's Education Loan scheme.

1.76 Bank plays a proactive role for extending Education Loans to deserving applicants including SC/ST in the loan camps organized in the campus area of academic institutions. The basic purpose of the arranging such camps by the banks is to make awareness among the students and their parents about the Education loan facility available for pursuing different courses in India as well as abroad. Brochures/pamphlets containing detailed features of Bank's Education Loan Policy are distributed in the camps whereby the students are able to know the various features of the Bank's Education loan policy viz. Maximum quantum of education loan permissible, competitive rate of interest, margins, interest payment options, repayment terms, provision for second education loan, etc.

1.77 Under the Central Scheme, interest subsidy will be provided during moratorium period on Education Loans taken by students from Economically Weaker sections with

a parental upper income limit of Rs.4.50 lac, for undertaking professional/technical courses.

Comments of the Committee

1.78 The Committee are happy to note that Punjab and Sind Bank plays a proactive role in extending education loans to deserving applicants including SCs/STs in the loan camps organized in the campus areas of academic institutions. The Committee hope that the Bank will continue to follow this practice in letter and spirit in future also.

Recommendation (Sl. No. 35, Para No. 4.56)

1.79 The Committee note that Punjab & Sind Bank has established Rural Development Centre in 50 branches in Punjab, Haryana, Rajasthan, UP and Uttarakhand and that a rural development centre has also been set up at Ludhiana and the primary objective of sensitization and promoting awareness/scheme development in the rural areas. While the Bank has mentioned about the number of credit camps, held during the years 2005-06 to 2007-08, no specific mention has been made about the credit camps held particularly in lead districts. The Committee recommend that credit camps held specifically in Lead districts of Punjab, the details of loan disbursed and details of skill development of SC/ST beneficiaries during the year 2006-07 to 2009-10 should be furnished.

Reply of the Government

1.80 The following skill development camps were held by the Bank at lead districts during the year 2009-10: Moga-3, Faridkot-1 and Ludhiana-5 and entire rural youth trained out of which 162 belong to SC/ST. Further, three Rural Self Employment Training Institutes(RSETIs) have trained the youth in the three districts as per data given below:-

	Total youth trained	SC/ST trained
Ludhiana	376	301
Moga	124	98
Faridkot	170	136

Comments of the Committee

1.81 The Committee had specifically sought the information about the details of loan disbursed and details of skill development of SC/ST beneficiaries during the year 2006-07 to 2009-10. The Bank has given details only for the year 2009-10 regarding the youth trained by three Rural Self Employment Training Institutes (RSETIs). The Committee expect that the replies submitted to the Parliamentary Committee should be to the point and complete in all aspects in future.

Recommendation (Sl. No. 39, Para No. 4.69)

1.82 The Committee note that the authority for rejection of loan applications from SCs/STs is not vested with the sanctioning authority but with the next higher official than the sanctioning authority and that too with specific reasons thereof. The Bank has taken certain appreciable initiative like organizing camps through its Rural Development Centre (RDC) establishing RSETI to impart training for skill development etc. However, the Committee observe from the reply that the sponsoring agency must ensure imparting of adequate technical skill, job, knowledge and marketing potential of the

products of the particular venture to be undertaken by the beneficiary before sponsoring the applications. The Committee feel that not only the sponsoring agency but the Bank in its own interest should give counsel and impart skill training to SC/ST loan seekers so that there is no question of rejection of their applications. The Committee, therefore, desire that not only the sponsoring agency but the Bank should always ensure that every effort is made by both to enhance the capabilities of SC/ST seeking loans and thus increase the success rate of loan sanctions. Further, it is seen from the reply that the Committee's query regarding data relating to loan applications from SCs/STs that were received/sanctioned/rejected/pending during the years from 2005 to 2009 was not responded. The Committee take strong exception to this. The Committee, therefore, recommend that the information sought by them should be furnished.

Reply of the Government

1.83 The Bank has set up Rural Self Employment Training Institutes (RSETIs) in three districts where it has Lead Districts responsibility. In other districts other banks have set up RSETIs for imparting training to the beneficiaries majority of them are from BPL families. The authority for rejection of loan applications from SCs/STs is not vested with the sanctioning authority but with the next higher authority. The record of the applications received, sanctioned, rejected is kept at branch office level only. It is also being maintained at Head Office of the Bank as per requirements of regulatory authorities. Further, Bank's Branches are not on CBS and the entire information is collected manually, courier and fax etc. from field offices and then compiled at Head Office.

Comments of the Committee

1.84 The Committee are surprised to note that the recommendation of the Committee has not been taken seriously. The Committee had specifically recommended that information regarding data relating to loan application from SCs/STs that were recommended/sanctioned/rejected/pending during the years from 2005 to 2009 be forwarded to the Committee. The same has again not been furnished by the Bank. The Committee take a serious note of the casual approach of the Bank towards its recommendations. The Committee are of the view that reply furnished to the Parliamentary Committee should be to the points and complete in all aspects in future.

Recommendation (Sl. No. 41, Para No. 4.78)

1.85 The Committee note that Punjab & Sind Bank have 898 Branches as on 31.5.2008 which are mostly located in the northern part of the country. 18 Branches are reported to have been opened in SC/ST inhabited areas and existence of a Satellite Office at Balera in Himachal Pradesh to cater to the remote rural population. Having noted that there is no Branch of Punjab & Sind Bank in North-Eastern States, the Committee strongly recommend that the Bank should explore opening of its Branches in that area too.

Reply of the Government

1.86 The Bank has a total of 922 branches as on 18.08.2010. Out of these 624 branches are located in Northern Region and 10 branches in North-East Region. In the North-East Region out of 10 branches, 6 branches (5 Urban + 1 Semi Urban) are located in Assam, 2 branches (1 Urban & 1 Semi Urban) in Manipur, one branch at Nagaland and one Urban branch in Tripura.

1.87 The Bank has noted the recommendations of the Committee and shall explore possibility of opening more branches in regions/areas predominantly inhabited by SCs/STs.

Comments of the Committee

1.88 The Committee note with satisfaction that the Bank has noted the recommendation of the Committee and would explore possibility of opening more branches in regions/areas predominantly inhabited by SCs/STs. The Committee desire to be apprised about the latest position in this regard.

Recommendation (Sl. No. 43, Para No. 4.86)

1.89 The Committee note that the Bank is reported to comply with guidelines in respect of 20 Point Programme. The Bank has furnished the performance report of the Bank during the year(s) 2005-06, 2006-07 and 2007-08 but has not provided separate data of SCs/STs as desired by the Committee. The Committee observed that the Ministry of Finance and Punjab & Sind Bank are not at all serious about SCs and STs. That is why the information furnished to the Committee is very casual. The Committee takes serious note of this fact and want this to be brought to the knowledge of the Minister. The Committee recommend that data in respect of SC/ST wherever collected should always be kept separately in respect of schemes/programmes including 20 Point Programme. The Committee further recommend that the Ministry of Finance should issue necessary direction in this regard.

Recommendation (Sl. No. 44, Para No. 4.87)

1.90 The Committee also observe that the bank has provided consolidated data for SCs and STs with regard to the credit facilities provided to them in Part II of the Report.

The Committee desire that data in respect of SCs/STs should henceforth be provided separately.

Reply of the Government to Recommendations Sl. Nos. 43 & 44

1.91 The two points of the 20 point programme namely Justice for SC and Justice for ST exclusively gives information on disbursement of credit to SC/ST during the year and outstanding amount to Scheduled Castes and Scheduled Tribes separately. The information provided by the Bank is as per proforma formulated by RBI/GOI.

Comments of the Committee on Recommendations Sl. Nos. 43 and 44

1.92 The Committee had specifically recommended that the data in respect of SC/ST whenever collected should always be kept separately in respect of Schemes/Programmes including 20 Point Programme. In their reply the Bank has only informed that the two points of the 20 Point Programme namely Justice for SC and Justice for ST exclusively gives information on disbursement of credit to SC/ST during the year and outstanding amount to SCs/STs separately. The Committee, therefore, reiterate their earlier recommendation. The Committee also reiterate that the Ministry of Finance should issue necessary instructions in this regard and a copy of the same may be furnished to the Committee.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 4, Para No. 2.16)

2.1 The committee also note that advertisement for recruitment of posts inserted in the National Newspaper and Employment News mentioning the number of posts, eligibility criteria alongwith reservation in posts as per Government policy, etc and on the Bank's internet/website for officers. In addition, for recruitment in clerical and Award Staff, the advertisement is also released in one local vernacular newspaper. The Committee, however, note that in the recruitment policy of the Bank there is no provision for announcement of vacancies through All India Radio and Doordarshan. The Committee recommend that advertisement should be inserted in more than one English and Hindi National newspaper as also widely read local vernacular newspapers in SC concentrated and tribal dominated areas including North East States for wider publicity . The Committee also recommend that examination centres should be set up nearer to SC concentrated and tribal areas especially in North East States so that they do not have to travel long distances to appear for written examination. The Committee further recommend that the advertisement for recruitment should invariably be announced on All India Radio and Doordarshan in terms of para 7.1(iv) of the "Brochure on Reservation for SCs/STs in Services."

Reply of the Government

2.2 The Bank takes necessary steps to ensure that the advertisement of recruitment is announced on All India Radio and Doordarshan. Efforts are made to insert an advertisement of recruitment in more than one English and Hindi National newspaper as also in local vernacular newspaper in SC concentrated and tribal dominated areas which includes North East States for giving wider publicity to the advertisement of

recruitment. The Bank does take care for setting up of examination centres nearer to SC concentrated and tribal areas specially in North East States .

Comments of the Committee

2.3 Please see Para No. 1.13 of Chapter I.

Recommendation (Sl. No. 9, Para No. 2.37)

2.4 The committee note that the Punjab & Sind Bank had negotiated and settled promotion policies duly approved by the Board of Directors of the Bank in vogue for all Officers, specialised Officers, Clerical and Subordinated staff. It has been stated that the promotion policies are framed in such a manner that no Government guidelines/rules are flouted and due reservations/relaxations are provided to SC/ST candidates. The Committee, however, are perturbed to note that there was shortfall of 29 SC and 15 ST during the year 2007 and of 57 SC and 30 ST during the year 2008 in promotion from clerical of officers (JMGS-I) category. In case of promotion from Sub-staff to clerical category, there was shortfall of 1 ST during the year 2007 and 1 SC and 2 ST during the year 2008. The reason stated for the shortfall is that not sufficient STs were found in feeder cadre. According to Annual Report 2007-2008, there were promotions of 526 employees. When asked as to the number of SC/ST out of 526 employees promoted, it was replied in post evidence reply that it included 29 SC and 10 ST in Officers category and 2 SC in clerical category. However, these figures do not seem to match with the data for promotion as provided for the years 2007 and 2008 at para 2.31. The Committee feel that the Ministry and the Bank are not at all sincere in projecting the actual picture. The Committee, therefore, recommend that an explanation should be given as to how there is mismatch in the number of SC and ST promoted in Officers and Clerical categories for years 2007 and 2008. The Committee recommend that all SC/ST backlog vacancies i.e. 86 and 45 in Officers category and 1 SC and 3 ST

in clerical category, which have been accumulated during year the 2008 should be filled up by conducting Special Recruitment Drive in a time bound manner. The outcome of the same should be apprised to the Committee.

Reply of the Government

2.5 The Bank has informed that in the year 2007-08 (01-04-2007 to 31-03-2008) it had promoted 526 candidates in various cadres out of which 31 SC and 10 ST employees were promoted as per details hereunder:

S.No.	CADRE	TOTAL NO EMPLOYEES PROMOTED	OUT OF WHICH		REMARKS
			SC PROMOTED	ST	
1.	Officers (Scale I to VII)	364	25	10	SC/ST selected by applying Zone of consideration
2.	Clerical to Officer (Scale-I)	154	4	-	SC/ST selected by providing reservation
3.	Sub-staff to Clerical	8	2	-	-do-
TOTAL		526	31	10	

The Bank had reported the correct figures of total employees promoted and number of SC/ST candidates selected, to the Parliamentary Committee as per detail given above. However, the figure of promotion within the officer cadre from scale-I to scale-VII was not elaborated inadvertently at Para 2.31 as reservation is not applicable in promotion within the officer cadre and only principle of Zone of Consideration is applicable. The Bank will consider filling up the backlog vacancies in the future promotion process.

Comments of the Committee

2.6 Please see para No. 1.30 of Chapter I.

Recommendation (Sl. No. 10, Para No. 2.38)

2.7 The Committee also note that in the matter of posting and transfer on promotion, no separate record of SC/ST representations is maintained. The Committee recommend that the Punjab & Sind Bank should not treat representations from SC/ST employees on posting on promotion casually. The Bank should maintain separate record of SC/ST representations like other Nationalized Banks/PSUs.

Reply of the Government

2.8 The Bank has complied with the recommendation of Parliamentary Committee. The Bank has started maintaining separate record of SC/ST representations on posting and transfer on promotion.

Recommendation (Sl. No. 11, Para No. 3.15)

2.9 The Committee observe that the Ministry of Finance to ensure that reservation orders issued in favour of SCs/STs are actually implemented in Public Sector Banks have appointed a Chief Liaison Officer (CLO), who conducts periodical inspections of the Banks, checks and verifies the reservation rosters maintained by the Banks. Other relevant records, registers etc. are also inspected by the CLO from time to time. The Committee, however, note that the CLO inspected the Punjab & Sind Bank only twice i.e. on 6-8-2005 and 30-04-2008. The Committee feel that the Ministry of Finance (Banking Division) should draw a schedule of all Public Sector Banks including Punjab & Sind Bank, so that the CLO, with the assistance of Officers of Banking Division, could inspect the roster registers maintained by the Banks atleast once in a year. The Committee, therefore, recommend that the Ministry of Finance (Banking Division) should ensure regular annual visits by its Chief Liaison Officer to all Public Sector Banks

including Punjab & Sind Bank so that he may be able to check roster registers and see that reservation orders are properly implemented in all Nationalized Banks.

Reply of the Government

2.10 As per the recommendation of the Committee, regular/ periodical visits by the Chief Liaison Officer(CLO) of the Ministry of Finance are being made so as to check the roster registers and see that reservation orders are properly implemented in all the public sector banks.

Comments of the Committee

2.11 Please see Para No. 1.33 of Chapter I.

Recommendation (Sl. No. 12, Para No. 3.16)

2.12 The Committee note that SC/ST cells are functioning at Head Office as well as Zonal Offices level of the Bank. The SC/ST cell at Head Office comprises a Manager, an Officer belonging to SC category and a clerk. The Committee also note that similar composition is formed at Zonal Office level. The Committee further note that a General Manager level officer has been designated as Chief Liaison Officer at Headquarters of the Bank and Zonal Manager/2nd Man at Zonal Office as Liaison Officer in Zonal Offices of the Bank. The Committee stress that the nomination of Liaison Officer should not be considered a mere fulfillment of a formality. The Committee, therefore, recommend that only such officer should be appointed as Liaison Officer who not only is fully acquainted with reservation orders but is committed to justify his appointment as a Institution to safeguard the welfare of SC/ST employees. The Committee also desire that Liaison Officer for SC/ST should be engaged exclusively in the matters relating to SC/ST and should not be burdened with other matters. His services should rather be utilized in monitoring of the credit facilities given by the Bank to SCs/STs under various Schemes.

The Committee also desire that Chief Liaison Officer posted at Headquarters as well as Liaison Officers at Zonal Offices should possibly be appointed from people belonging to SC/ST category.

Reply of the Government

2.13 The Bank has reported that Sardar Gurcharan Singh Rekhi, Chief General Manager is designated as Chief Liaison Officer for SC/ST at Head Office who is fully aware of the Reservation guidelines for SC/ ST. He is having vast experience and knowledge of Govt. directions on reservation and concession/ relaxation available to SC/ST. Further, Chief Liaison Officer of the Bank is also monitoring the credit facilities given by the Bank to SCs/STs under various schemes. All out efforts will be made to designate the Liaison Officers at Head Offices as well as Zonal Offices preferably belonging to SC/ST category wherever available.

Recommendation (Sl. No. 13, Para No. 3.17)

2.14 Inspection of roster is part of the job assigned to a Liaison Officer. The Committee, therefore, recommend that Chief Liaison Officers should inspect the rosters kept at Head Office and Zonal Offices every year.

Reply of the Government

2.15 Appropriate steps are taken to ensure that the rosters kept at Head Office as well as at Zonal Offices are inspected by the Chief Liaison Officer of the Bank.

Recommendation (Sl. No. 14, Para No. 3.25)

2.16 The committee are pleased to note that pre-recruitment training is being given to SC/ST candidates by the Bank. During the year 2005, the Bank has provided pre-recruitment training to 77 SC/ST candidates, out of which 16 ST candidates are

reported to have been selected. The Committee also note that in service training is imparted by Punjab & Sind Bank to all employees including SC/ST employees to make them aware of changing scenario in the Banking Industry and keep them updated with policies, latest government guidelines, system procedure and development. The Committee recommend that the Bank should provide in-service training to all its SC/ST employees. The Committee also note that the Bank give pre-promotional training to SC/ST employees. During the year 2005 to 2007, several number of SC/ST employees were given pre-promotional training. The Committee, however, note that the number of promotion given to SC/ST employees during the period does not seem to reflect the effect of the pre-promotional training. The Committee feel that the objective of pre-promotional training to SC/ST would be defeated if they do not pass the pre-promotional examination and interview. The Committee are, therefore, of the view that the pre-promotional training should not be a formality. The Committee, therefore, recommend that the pre-promotional training should be of adequate duration so as to cover all the topics which are required to be prepared for the pre-promotional examination and interview.

Reply of the Government

2.17 It is the Bank's endeavor to provide in-service training to all SC/ST employees of the Bank. Further, comprehensive pre-promotional training programme are conducted for SC/ST employees by learned and experienced faculty at Staff Training College covering all the topics which are required to be prepared for the pre-promotional examination and interview so that they may get through the examination and interview. The training is usually for a minimum period of six days covering all the topics and conducted at different locations including centre which are nearer to SC concentrated and tribal areas so that they do not have to travel long distances.

Comments of the Committee

2.18 Please see Para No. 1.36 of Chapter I.

Recommendation (Sl. No. 17, Para No. 3.32)

2.19 The committee note that the Bank is having residential flats comprising one room, two rooms and three rooms set in three-four selected places. The Committee note that all officers including SCs/STs posted from outside at Mumbai, Chennai and Ludhiana are provided with the accommodation without any discrimination. Also due to availability of sufficient number of flats, no SC/ST has ever found any difficulty in getting the accommodation. The Committee desire that the Bank should continue to provide accommodation to SC/ST officers, whenever, they require.

Reply of the Government

2.20 The Bank has informed that it will continue to provide Bank's accommodation to SC/ST officers wherever the Bank has acquired its own accommodation without any discrimination.

Recommendation (Sl. No. 18, Para No. 3.47)

2.21 The Committee note that SC/ST Cells at the Bank's Head Office as well as in every Zonal Office are looking after the redressal of grievances of SCs/STs. Quarterly meetings with the Welfare Council of SC/ST are also being regularly held at the Head Office. At the Head Office, Chief Liaison Officer and at Zonal Offices, Zonal Managers as Liaison Officers are the competent authorities of redressal of grievances of SCs/STs. The Committee appreciate that none of the complaint/grievances received by the Bank during the years 2005 to 2007 is pending for redressal. The Committee also note that grievances/representation of SC/ST employees received in the Ministry are taken up with the Management of the Bank and efforts are made to settle the same amicably as

far as possible. Further, the Managers of the Bank concerned is also directed to take corrective action in this regard.

Reply of the Government

2.22 It is submitted that Bank duly observes uniformity in all matters including matters of grievances/redressal concerning its employees including SC/ST employees.

Comments of the Committee

2.23 Please see Para No. 1.39 of Chapter I.

Recommendation (Sl. No. 36, Para No. 4.60)

2.24 The Committee note that percentage of loan recovery from SC/ST borrowers is 47.03% as compared to the overall recovery of the Bank 78.54%. The Committee recommend that all out efforts should be made by Punjab & Sind Bank to improve the recovery position for recycling funds. The Bank should also extend all possible guidance and advice to SC/ST beneficiaries so that they may fully utilize the income generated from the activity for repaying the loans and making the schemes successful.

Reply of the Government

2.25 The Bank is making all out efforts to improve the loan recovery from SC/ST borrowers and the borrowers are advised to repay the loan installments on time. The Bank has sensitized its RSETIs set up in three Lead districts to create awareness among the trainees mainly from BPL families about proper utilization of loan and the timely repayment thereof. The loan recovery percentage from SC/ST borrowers has improved from reported 47.03% to 52.83% as on 31.03.2010.

Recommendation (Sl. No. 37, Para No. 4.61)

2.26 The Committee also observe that practically no assistance in effecting recovery is forthcoming from the State Government Agencies/State SC/ST Development Corporations in the matter of recovery of overdue loans to Punjab & Sind Bank and therefore, recommend that the Bank officials should have a close liaison with State Government Agencies, SC/ST Development Corporations and make efforts to involve them in the process of identification of needy SC/ST beneficiaries and provide necessary assistance in recovery of overdue loans.

Reply of the Government

2.27 The Zonal Managers of the Bank have been sensitized to involve the District Authorities/State SC/ST Development Corporations in the matter of recovery of its overdue loan. The meeting of DCC and DLRC are attended by senior officials of the bank at the district level. Further, close liaison is maintained with the State Government agencies, SC/ST Development Corporations for identification of the needy SC/ST beneficiaries and recovery of overdue loans.

Recommendation (Sl. No. 41, Para No. 4.78)

2.28 The Committee note that Punjab & Sind Bank have 898 Branches as on 31.5.2008 which are mostly located in the northern part of the country. 18 Branches are reported to have been opened in SC/ST inhabited areas and experience of a Satellite Office at Balera in Himachal Pradesh to cater to the remote rural population. Having noted that there is no Branch of Punjab & Sind Bank in North-Eastern States, the Committee strongly recommend that the Bank should explore opening of its Branches in that area too.

Reply of the Government

2.29 The Bank has a total of 922 branches as on 18.08.2010. Out of these 624 branches are located in Northern Region and 10 branches in North-East Region. In the North-East Region out of 10 branches, 6 branches (5 Urban + 1 Semi Urban) are located in Assam, 2 branches (1 Urban & 1 Semi Urban) in Manipur, one branch at Nagaland and one Urban branch in Tripura.

2.30 The Bank has noted the recommendations of the committee and shall explore possibility of opening more branches in regions/areas predominantly inhabited by SCs/STs.

Comments of the Committee

2.31 Please see Para No. 1.88 of Chapter-I.

Recommendation (Sl. No. 42, Para No. 4.80)

2.32 The Committee note that Punjab & Sind Bank does not have any exposure on any SC/ST development Corporation. Accordingly to the reply given by the Bank, there are common instructions/guidelines from Government of India/RBI under Priority Sector Lending through SC/ST Development Corporations. However, there are no separate instructions/guidelines in this regard. The Committee, therefore, recommend that the Ministry of Finance/RBI should issue the said guidelines to all the Public Sector Banks to ensure that the aforesaid guidelines are followed by them in letter and spirit.

Reply of the Government

2.33 The Bank has issued instructions to its Zonal Managers to explore the possibility of providing credit to the SC/ST Development Corporations and sanction all the viable proposals so that Bank's credit exposure to SC/ST increases.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT

Recommendation (Sl. No. 3, Para No. 2.15)

3.1 In respect of full-time Directors, the representation of a SC/ST member on the Board seems remote, since the Government do not provide promotions for SC/ST officers in higher scales even through Article 16(4) states that "Nothing in this article shall prevent the State from making any provisions for the reservation for the appointments or posts in favour of any backward class of citizens which, in the opinion of the State, is not adequately represented in the services under the state" and Article 16(4A) which states that " nothing in the article shall prevent the State from making any provision for reservation in matters of promotion, with consequential seniority to any class or classes of posts in the services under the State in favour of the Scheduled Castes and the Scheduled Tribes which, in the opinion of the State are not adequately represented in the services of the State". Having also noted that the Board of Directors review reports with regard to implementation of reservation policy for SCs and STs on annual basis, the committee feel that having atleast one member on the Board from SC/ST categories become s more necessary to have a representative from these communities. The Committee, therefore, recommend that in view of the constitutional mandate, the Government should provide reservation on appointment and promotion of officers in higher scales so that SC/ST officers may also get an opportunity to become functional Directors of the Bank.

Reply of the Government

3.2 The Institute of Banking Personnel Selection (IBPS), Mumbai takes utmost care while processing the applications received for direct recruitment of SC/ST category candidates and ensure that all genuine SC/ST candidates are considered against the SC/ST posts. The IBPS also examines the certificates of SC/ST candidates in order to ensure its genuineness and validity.

3.3 Sufficient notice/time is given to SC/ST candidates for appearing in the written test/interview. All request from SC/ST candidates for appearing in written examination centre other than the allotted examination centre on genuine reasons are also considered sympathetically and favourably.

Recommendation (Sl. No. 6, Para No. 2.27)

3.4 The committee note as on 01.01.2008 except in Sub-staff category, there was shortfall of SC in the categories of Officers and Clerks and that of ST in all categories of posts. According to data provided in paras 2.18 and 2.19 above, there was shortfall of 3.68% of SC and 4.20% of ST in officers category. In respect of clerks and sub-staff categories of posts, although there is change in data at para 2.18 AND 2.19, yet there is huge shortfall of SC and ST in Clerical posts and of ST in Sub-staff category of posts. It is matter of great concern that there is a huge shortfall of 11.10% of SCs and 5.89% of STs in clerical category of posts as also shortfall of 4.82% of ST in sub-staff category. The Committee are not convinced by the reply that the shortfall of SC/ST is due to restrictions imposed by the Government on Direct Recruitment for the posts and that the gap in percentage in prescribed reservation is due to the fact that reservations were made applicable in the Bank from the date of nationalization. The Committee are also not sure whether in subsequent recruitments after Nationalization, the Bank has been filling up appropriate reserved quota of SCs and STs in all categories as

mentioned in the reply. It is now almost 30 years since the nationalization, the Bank and introduction of reservation policy therein. In fact, by this time the required percentage of SCs and STs should have been employed in the Bank. However, there is still shortfall of SCs and STs in all categories of posts as on 1.1.2008. The Committee are especially amazed by huge SC shortfall in clerical posts. While the usual line of reasoning of the Government is non-availability of STs against their reserved posts, the Committee observe that in case of the Punjab & Sind Bank, there is not many SCs too in Clerical category. The Committee find it strange that there is shortfall of 11.10% of SC in the Clerical category even though most of branches of the Bank are located in States where there is no dearth of SC population. The Committee are, therefore, of the view that it is a matter of gross mismanagement in implementation of reservation policy which has resulted in huge shortfall of SC and ST in clerical category. The Committee, therefore, recommend that the matter should be thoroughly enquired into so as to know as to how out of 15%, there is shortfall of 11.10% of SCs and out of 7.5% there is shortfall of 5.8% of STs in clerical category as on 1.1.2008. Similarly, the shortfall in case of Officers and Sub-staff needs to be looked into. The outcome of the enquiry should be apprised to the committee. The Committee also urge the Punjab & Sind Bank and the Ministry of Finance to chalk out a strategy to fill up SC/ST shortfall in all categories of posts within a time frame through Special Recruitment Drive and apprise the Committee of the action initiated in this regard within three months of the presentation of this report to Parliament.

Reply of the Government

3.5 The Bank has informed that the shortfall of 11.10% of SC in clerical cadre is due to the fact that a large number of clerical staff belonging to SC category have been promoted to officer cadre in scale – I and also due to restriction/ban on recruitments in the past. Bank is determined to fill the backlog/shortfall of SC/ST vacancies through fresh direct recruitment drive for which the process of 2nd phase of recruitment project for appointment of 700 Officers and 300 Clerks (including backlog of SC/ST vacancies) has been initiated in the month of October 2010.

3.6 Besides, the Bank is making allout efforts to fill the shortfall of SC/ST vacancies in clerical and officer cadre in a phased manner by conducting Special Recruitment Drive for SC/ST.

Comments of the Committee

3.7 Please see Para No. 1.20 of Chapter-I.

Recommendation (Sl. No. 15, Para No. 3.26)

3.8 The committee are however, unhappy to note that none of the employees belonging to SC/ST category were included in the core team consisting of five persons constituted for implementation of CBS project that was taken to Philippines by Bank's franchisee M/S Satyam Computer at their own expenses during the year 2007. The Committee recommend that the Ministry of Finance should issue specific instruction in term of para 17.3(iii & iv) of the "Brochure on Reservation for SCs/STs in services " which envisage that it would be useful to include eligible SC/ST officers in such training programme to broaden their outlook and also build up specialized knowledge thereby boosting up the morale of the officers of these communities.

Reply of the Government

3.9 Punjab & Sind Bank had constituted the case team for implementation of CBS project that was taken to Philippines by Bank's franchises, M/s Satyam Computer at their own expenses during the year 2007. However, the recommendation of the Committee has been noted for compliance.

Recommendation (Sl. No. 16, Para No. 3.29)

3.10 The committee note that during 2003 to 2006, a total of 41 clerks and 38 Sub-staff including 2 SC candidates were appointed on compassionate grounds. The Committee also note that 10 cases are still pending under the old scheme of providing appointment on compassionate grounds in Punjab & Sind Bank. The Committee expect that these 10 cases pending would be settled expeditiously so that the dependents of the deceased employees do not face hardships. The Committee also note that the scheme for providing appointment has been replaced by a new scheme of providing financial assistance in 2004 by the Ministry of Finance. The Committee are of the view that families of deceased employees, especially from SC/ST category might prefer to have a steady income instead of one time financial help because of their economic background. The Committee, therefore, recommend that jobs should be provided to dependents of deceased SC/ST employees instead of financial assistance so that they do not face hardships after the demise of their bread winner.

Reply of the Government

3.11 The Bank has informed that it has decided to offer ex-gratia payment to the family of the deceased in 10 old lien marked cases in place of request for job. The Bank has intimated the families of the deceased about the decision and have sent necessary papers for payment.

Recommendation (Sl. No. 22, Para No. 4.9)

3.12 The Committee note that credit to SCs/STs is part of lending to weaker sections under Priority Sector lending of the Banks. The Committee also note that reservations and relaxations for SC/ST beneficiaries exist under certain Central Government sponsored schemes. However, they observe that there are limitations on project cost/housing loans, etc. upon which the subsidies/concessions are extended to SC/ST beneficiaries. For example, under Swarjayanti Gram Swarozgar Yojna (SGSY), apart from reserving fifty percent of the scheme for SC/ST beneficiaries, a subsidy amount of fifty percent of the project cost with a maximum of Rupees Ten thousand has been prescribed. In the opinion of the Committee, such limitations are to be reviewed periodically, considering the increase in cost of inputs, inflation, etc. Therefore, the Committee recommend that the limitations under such schemes upon which concessions/subsidies are extended should be increased based on the factors mentioned above.

Reply of the Government

3.13 The schemes are formulated and circulated to bank by the Government of India and same are implemented as per the guidelines.

Comments of the Committee

3.14 Please see Para No. 1.50 of Chapter-I.

Recommendation (Sl. No. 23, Para No. 4.10)

3.15 The Committee note that in case of SJSRY nothing has been said about the maximum amount that can be advanced to the beneficiaries and the subsidy amount that is available to SC/ST beneficiaries. As the scheme is meant for urban unemployed youth, the Committee urge the Government to undertake this project more vigorously in tribal dominated areas including north east states. The Committee also recommend

that the amount of loan and subsidy allowed are realistic enough for undertaking the project and should be revised from time to time. In case of PMRY, it has been stated that since 2008-09, it has been merged with Rural Employment Generation Programme (REGP) into a new scheme i.e. Prime Minister's Employment General Programme (PMEGP). The Committee, therefore, recommend that details of this Scheme including reservations and relaxations given to SC/ST beneficiaries should be made available to them.

Reply of the Government

3.16 The PMRY scheme has been merged with Rural Employment Generation Programme (REGP) into a new scheme PMEGP. The scheme has been formulated by the GOI and guidelines issued are being followed by the bank and implementing agency is KVIC and in case of SJSRY is RBI. The Bank is the implementing agency as the scheme is formulated by Ministry of Housing & Urban Poverty Alleviation.

Comments of the Committee

3.17 Please see Para No. 1.53 of Chapter I.

Recommendation (Sl. No. 25, Para No. 4.33)

3.18 The Committee note that under priority sector lending norms, SC/ST credit form a part of overall weaker section credit for which target of 10% of adjusted net bank credit is stipulated by RBI. The Punjab & Sind Bank credit to weaker sections over the years has increased from Rs.455.70 Crore in the year 2004-05 to Rs/1056.10 in the year 2007-08. Ironically the share of SC/ST beneficiaries within the weaker sections during the same period has not increased proportionately. As per the statement of para 4.25, in the year 2004-05, the share of SC/ST beneficiaries was Rs.136.73 crore which was 30% of the share within the total credit advance to weaker sections.

Similarly, in the year 2005-06, the share of SC/ST beneficiaries was Rs.149.87 crore which is equivalent to 28.51% of the total credit to weaker sections in the year 2006-07, the share of SC/ST beneficiaries was Rs.120.69 crore which amounts to 18.47% of the total credit given to weaker sections. In the year 2007-08 the share of SC/ST is Rs.147.76 crore which amounts to 13.99% of the total credit to weaker sections. However, the Ministry have calculated the share of SC/ST beneficiaries at 15% vide para 4.24 above. The Committee wonder as to how there is variance in what the Ministry has stated at para 4.24 and data provided at para 4.25. The Committee should be apprised of the correct figure.

Reply of the Government

3.19 As desired by the Committee the number of accounts and the amount involved are given below:

	2007-08		2008-09		2009-10	
	No.	Amt.	No.	Amt.	No.	Amt.
Advances granted to weaker sections	118539	1056.10	139763	1670.01	166170	2141.31
Advances to SC/ST beneficiaries	21403	147.76	39716	290.39	30443	287.87

Recommendation (Sl. No. 27, Para No. 4.40)

3.20 The details of disbursement made by the Bank under various Government sponsored schemes show that the Bank could not achieve target fixed for beneficiaries in all the schemes. The position of advances to SC/ST beneficiaries was even worse except in case of SGSY Schemes was even worse except in case of SGSY Scheme where the number of SC/ST beneficiaries was little higher than 40% and more. The Committee urge the Bank to review as to why the targets fixed by it for the number of

beneficiaries could not be achieved during the year 2005-08 and the reasons as to why very few SC/ST have been benefited. The Committee also recommend that the Bank should make earnest efforts to popularize all the Government sponsored Schemes, especially in SC/ST dominant areas through local newspapers, electronic media etc.

Reply of the Government

3.21 The Loan applications under Government sponsored cases are received by the Bank from the concerned sponsoring agencies. Targets are also fixed by concerned agencies operating at Block/District level. All the loan applications which are bankable and where applicant is willing to undertake the activity are sanctioned and disbursed. The bank has circulated guidelines also during the locational short duration courses of Rural Branch Managers to the field functionaries for popularizing and creating awareness of the loan Schemes among the SC/ST population in coordination with the local District authorities. The Bank has also sensitized its Rural Self Employment Training Institutes (RSETIs) at Lead Districts of Ludhiana, Moga and Faridkot in the State of Punjab, for educating BPL/SC/ST – Trainees to apprise them about sponsored schemes available.

Recommendation (Sl. No. 29, Para No. 4.42)

3.22 The Committee note that the Ministry of Social Justice & Empowerment Scheme for Rehabilitation of Manual Scavengers (SRMS)", under which all the remaining Scavengers and their dependents are to be rehabilitated by March 2009. The Bank has stated that it is working out the modalities for active participation in the renewed scheme. The Committee recommend that the number of cases which were outstanding as on 30.11.2008 and thereafter should be cleared expeditiously. If not, the reasons for not achieving the target and steps taken by the Ministry of Social Justice and Empowerment as well as the Bank in this regard should be appraised to the Committee.

Reply of the Government

3.23 The Statement as on 30.11.2008 under reference pertains to number of Loan accounts and amount outstanding in the Books and not number of Loan Applications pending.

Regarding achievement of Targets latest position is as under: (As on 31.3.10)

Physical Target -----	Loan Application sanctioned -----		Of which to SC/ST -----
	No.	Amount	
23	92	30.06 lac	100%

The bank sanctioned 92 loan applications against the target of 23 and no Loan Application was pending with the Bank.

Recommendation (Sl. No. 30, Para No. 4.44)

3.24 The Committee note that artisans get credit upto Rs.2 lakh irrespective of their location under ACC scheme whereas under GCC scheme, the credit given is only Rs.25,000/-. Under GCC Scheme, total number of outstanding account and outstanding amount as on 31.3.2008 are 226 and Rs.61.08 lakh whereas as on 31.12.2008 i.e. after nine months, the total outstanding account and the amount has decreased to 170 and Rs.42.01 lakh. The position in regard to SCs/STs is also similar as their number has come down from 49 to 37 and their outstanding amount from Rs.13.02 lakh to Rs.9.14 lakh during the same period. The Committee should be apprised as to why there is decline in the total outstanding number of account and amount within nine months from 31.3.2008 to 31.12.2008 in case of GCC scheme. The Committee feel that credit given under GCC Schemes is not adequate. The Committee recommend that the credit amount should be realistic and revised upwardly periodically

so that the artisans may be able to create / expand their work profitably. The Committee also recommended that whatever scheme for weaker sections is undertaken, the Bank should also carry out wide publicity of the same otherwise it is futile to have such Scheme in name only.

Reply of the Government

3.25 As the General Credit Card (GCC) is issued in the rural and semi-urban areas the product cash flow linked without collateral security and borrowers adjust the accounts on harvesting of crop. The GCC scheme has been formulated by the RBI including the amount of Loan to be given. Banks are sensitizing the Branch Managers of rural and semi urban branches in their monthly meetings for increasing awareness and popularizing the Scheme.

Comments of the Committee

3.26 Please see Para No. 1.68 of Chapter-I.

Recommendation (Sl. No. 31, Para No. 4.46)

3.27 The Committee note that for low cost housing the Bank is implementing Indira Awaas Yojana (IAY) where SC/ST beneficiaries are specifically benefited. However, no details of credit given to SC/ST beneficiaries under the Scheme were provided. The Committee should, therefore, be provided with the details of credit and subsidy allowed to SC/ST beneficiaries under IAY during the year 2005-06 to 2009-2010. The Committee note that the Bank has fixed a target to give credit under GJRHS. However, it is noted that the Bank did not achieve the target during the period for which the details have been provided. The Committee are of the view that the target for reaching the beneficiaries should be fixed only after carrying out the survey so that only genuine beneficiaries are benefited.

Reply of the Government

3.28 The scheme to provide housing loan to the beneficiaries of Indira Awaas Youjana (IAY) was started in the year 2007. Application for housing loan is being sponsored to the bank's branches by the IAY implementing agency. The details of credit allowed under IAY scheme is as under:

Year	Application Received	Application Sanctioned		% to SC/ST
	No.	No.	Amt. in lacs	
2007-08	NIL	--	--	--
2008-09	NIL	--	--	--
2009-10	11	11	2.08	100%
2010-11(31.07.2010)	NIL	--	--	--

Further, regarding fixing of TARGETS under Golden Jubilee Rural Housing Scheme (GJRHS), National Housing Bank (NHB) is the implementing agency.

Comments of the Committee

3.29 Please see Para No. 1.71 of Chapter-I.

Recommendation (Sl. No. 32, Para No. 4.50)

3.30 The Committee observe that during the years from 2004-05 to 2007-08 only 764 students out of 16246 belonging to SC/ST communities availed of the loan facilities provided under the Education Loan Scheme. The Committee note that the number of beneficiaries and the amount of education loan has increased over the years but the number of SC/ST students who were given education loan is still few. Keeping in mind that more SC/ST students may like to avail education loan in future, the Committee

recommend that the Bank should consider giving concessions/relaxations in favour of SCs/STs students and also making the Educational Loan Scheme more popular among them. The Committee further recommend that wide publicity of the Education Loan Scheme may be made by the Bank to ensure that it reaches the SC/ST people so that the performance of the Bank in this regard is improved.

Reply of the Government

3.31 Bank's Education Loan Policy has been formulated based on the model suggested by IBA following Government guidelines in this regard. No additional conditions have, however, been imposed. As per the policy, eligible students can avail education loans up to Rs.10 lac and Rs.20 lac for undertaking studies in India and abroad respectively. **No discrimination is made over caste, religion and State or region.**

3.32 The education loan policy contains various liberal norms such as giving concession of 2% in interest during moratorium period (if interest is serviced) as against 1% concession given by majority of other banks. There is a provision for concession of 0.50% for girl students also.

3.33 Further, Bank has developed a mechanism facilitating students to lodge education loan application Online through Bank's website. There is also a provision on Bank's website whereby student can know the status of his loan application. The prominent features of the Bank's Education Loan Scheme are also placed on Bank's website enabling students to have access of the Bank's Education Loan scheme.

3.34 Bank plays a proactive role for extending Education Loans to deserving applicants including SC/ST in the loan camps organized in the campus area of academic institutions. The basic purpose of the arranging such camps by the banks is

to make awareness among the students and their parents about the Education loan facility available for pursuing different courses in India as well as abroad. Brochures/pamphlets containing detailed features of Bank's Education Loan Policy are distributed in the camps whereby the students are able to know the various features of the Bank's Education loan policy viz. Maximum quantum of education loan permissible, competitive rate of interest, margins, interest payment options, repayment terms, provision for second education loan, etc.

3.35 Under the Central Scheme, interest subsidy will be provided during moratorium period on Education Loans taken by students from Economically Weaker sections with a parental upper income limit of Rs.4.50 lac, for undertaking professional/technical courses.

Comments of the Committee

3.36 Please see Para No. 1.78 of Chapter I.

Recommendation (Sl. No. 33, Para No. 4.54)

3.37 The Committee note that Punjab & Sind Bank is performing the lead Bank role in three districts of Punjab i.e. Faridkot, Moga and Ludhiana. It has been reported that under the Bank scheme the Bank disbursed loans totaling Rs.787 crores to 34019 beneficiaries out of which the share of SC/ST was Rs.6.71 crore and these account was 2778 during the year 2007-08. During year 2008-09 (upto December, 2008) the number of beneficiaries had increased from 34019 to 36700 and the number of SC/ST beneficiaries had also increased from 2778 to 3527 and the amount of loan disbursed to them had also increased from Rs.6.70 crore to Rs.7.09 crore. The committee,

however, note that the loan amount has decreased from Rs.787 crore to Rs.637 crore while surprisingly in case of SC/ST, the amount of loan disbursed has increased. The committee should, therefore, be apprised as to how the number of beneficiaries has increased but correspondingly the amount disbursed has not increased. The Committee demand a proper explanation for this poor performance.

Reply of the Government

3.38 The Bank has reported that it is correct to say that the number of loan account has increased, but amount disbursed has not proportionately increased. This is due to the fact that in some cases amount sanctioned is partially disbursed based on the need of the project. However, there is overall growth in the amount disbursed during 2008-09.

Following is the position of the amount disbursed during the year:

	31.3.2008	Up to 31.12.08 (9 months) (01.04.2008 to 31.12.2008)	Upto 31.3.09 (12 months) (01.04.2008 to 31.03.2009)	Growth (between 31.12.2008& 31.03.2009)
Total	787 Crores	637 Crores	1060 Crores	273 Crores
SC/ST	6.71 Crores	7.09 Crores	10.91 Crores	4.20 Crores

Which shows a +ve growth.

Recommendation (Sl. No. 34, Para No. 4.55)

3.39 No doubt, there is a marginal increase in the number of SC/ST beneficiaries and the amount disbursed to them but compared to total number of loans disbursed, it is only marginal. The percentage of SC/ST beneficiaries who are given loan amount in three districts is around 9 to 10% whereas SC population in the State is reported to be at 28.9% according to 2001 census. The Committee find that Punjab & Sind Bank has failed in its basic obligation to sponsor more SC/ST beneficiaries in the State of Punjab. The Committee, therefore, recommend that the Bank should immediately draw out a plan to all the development agencies – Government and non-Government, to reach out to SC/ST population with specific target over a period of time.

Recommendation (Sl. No. 35, Para No. 4.56)

3.40 The Committee note that Punjab & Sind Bank has established Rural Development Centre in 50 branches in Punjab, Haryana, Rajasthan, UP and Uttarakhand and that a rural development centre has also been set up at Ludhiana and the primary objective of sensitization and promoting awareness/scheme development in the rural areas. While the Bank has mentioned about the number of credit camps, held during the years 2005-06 to 2007-08, no specific mention has been made about the credit camps held particularly in lead districts. The Committee recommend that credit camps held specifically in Lead districts of Punjab, the details of loan disbursed and details of skill development of SC/ST beneficiaries during the year 2006-07 to 2009-10 should be furnished.

Reply of the Government

3.41 The following skill development camps were held by the Bank at lead districts during the year 2009-10: Moga-3, Faridkot-1 and Ludhiana-5 and entire rural youth trained out of which 162 belong to SC/ST. Further, three Rural Self Employment

Training Institutes(RSETIs) have trained the youth in the three districts as per data given below:-

	Total youth trained	SC/ST trained
Ludhiana	376	301
Moga	124	98
Faridkot	170	136

Comments of the Committee

3.42 Please see Para No. 1.81 of Chapter I.

Recommendation (Sl. No. 38, Para No. 4.65)

3.43 The Committee note that a sum of Rs.26367.68 lakh in respect of 524 accounts was waived off during the year 2006-07 and a sum of Rs.37187.16 lakh was waived off in respect of 26068 accounts during the year 2007-08. During the year 2006-07, the amount waived off in case of SC/ST was Rs.44.35 lakh and the number was 14 – a mere 0.16% of the total amount and 2.67% of the total number of accounts waived off. Similarly, during the year 2007-08, the amount waived in case of SC/ST accounts was Rs.926.68 lakh and the number of accounts was 2132. Thus, the percentage share of SC/ST in regard to amount and number are 8.17% of the total amount and 2.49% of total account waived off. The Committee are pained to note that while the Bank has not been able to give enough credit to weaker sections including SCs/STs as is evident in data furnished, it gave more credit to others which eventually had to be waived off as bad loans/NPAs during the years 2006-07 and 2007-08. The Committee are of the view that by giving credit of more than Rs.1 lakh and above to others, the Bank was burdened with huge bad loans/NPAs. The Committee, therefore, recommend that the foolproof mechanism should be created in the Bank so that the bad loans/NPAs are minimized in future. The Committee also like to remind the Bank that it is duty bound to

fulfill its aim to help the weaker sections including SCs/STs to raise their living standard as was envisaged by their founders. The Committee, therefore, recommend that the Bank should emphasize on fulfilling its aim by formulating new schemes in coordination with State Government Agencies giving wide publicity to existing Central Government schemes, imparting training for job skill and conducting more credit camps so that appreciable economic development of SCs/STs is achieved. The Committee also recommend that the Bank should furnish the details of loans waived off during 2008-09 and 2009-10.

Reply of the Government

3.44 As per the information provided by the Bank, the number and amount of accounts Technically Written-off during 2008-09 and 2009-10 are given below:

(Amt. in lakhs)

Year	Accounts	Amount	Of which to SC/ST	
2008-09	2920	4227.67	624	342.61
2009-10	3045	8071.62	719	344.07

The above table shows that number wise share of SC/ST borrowers in TWO cases is 21.37% and 23.61% during the year 2008-09 and 2009-10 respectively. Further, the level of NPA of the Bank are decreasing and the mechanism for lending is as per guidelines of the RBI. Field level functionaries particularly rural branch managers are being sensitized by imparting short duration locational course for popularizing various Central Govt. schemes for weaker sections including SC/STs. BPL rural youth is being imparted training by RSETIs set up in Distts. of Moga, Faridkot and Ludhiana in the State of Punjab.

Recommendation (Sl. No. 39, Para No. 4.69)

3.45 The Committee note that the authority for rejection of loan applications from SCs/STs is not vested with the sanctioning authority but with the next higher official than the sanctioning authority and that too with specific reasons thereof. The Bank has taken certain appreciable initiative like organizing camps through its Rural Development Centre (RDC) establishing RSETI to impart training for skill development etc. However, the Committee observe from the reply that the sponsoring agency must ensure imparting of adequate technical skill, job, knowledge and marketing potential of the products of the particular venture to be undertaken by the beneficiary before sponsoring the applications. The Committee feel that not only the sponsoring agency but the Bank in its own interest should give counsel and impart skill training to SC/ST loan seekers so that there is no question of rejection of their applications. The Committee, therefore, desire that not only the sponsoring agency but the Bank should always ensure that every effort is made by both to enhance the capabilities of SC/ST seeking loans and thus increase the success rate of loan sanctions. Further, it is seen from the reply that the Committee's query regarding data relating to loan applications from SCs/STs that were received/sanctioned/rejected/pending during the years from 2005 to 2009 was not responded. The Committee take strong exception to this. The Committee, therefore, recommend that the information sought by them should be furnished.

Reply of the Government

3.46 The Bank has set up Rural Self Employment Training Institutes (RSETIs) in three districts where it has Lead Districts responsibility. In other districts other banks have set up RSETIs for imparting training to the beneficiaries majority of them are from BPL families. The authority for rejection of loan applications from SCs/STs is not vested with the sanctioning authority but with the next higher authority. The record of the applications received, sanctioned, rejected is kept at branch office level only. It is also

being maintained at Head Office of the Bank is as per requirements of regulatory authorities. Further, Bank's Branches are not on CBS and the entire information is collected manually, courier and fax etc. from field offices and then compiled at Head Office.

Comments of the Committee

3.47 Please see Para No. 1.84 of Chapter I.

Recommendation (Sl. No. 40, Para No. 4.72)

3.48 The Committee had asked a general question as to whether Punjab & Sind Bank organizes orientation and training programme for officers to have a positive approach towards socio-economic development of SCs/STs at branch level and whether any incentive is given to branch managers for working in rural and semi-urban areas, the reply given is surprisingly confined to SC/ST officers. The Committee note that instead of a straightforward reply the Ministry/Bank have tried to sideline the issue by saying that SC/ST officers are given pre-promotion trainings and orientation/induction programme on promotion. The Committee are of the view that the Bank has not conducted any orientation and training programme for officers to equip them to have a positive approach towards socio-economic development of SCs/STs. The Committee stress that such orientation programme is needed to change the mindset of officers who otherwise are not inclined to help the weaker sections of the society. The Committee, therefore, strongly recommend that all officers should undergo-orientation and training programme so that they may have a positive approach towards SCs and STs and for their socio-economic development.

Reply of the Government

3.49 The Bank has reported that its Training Centre has a regular slot in its training schedules on the promotional aspects of SC/ST. All the Government Schemes especially covering upliftment of SC/ST and targets/commitments of the bank at national level covering SCs/STs are deliberated and emphasized. The Training Centre imparted such trainings in the previous year and continue to do so as per data given below:

Year	No. of Programmes	Attended officials
2009-10	76	1870
01.04.2010 to July, 2010	32	319

Further, locational programmes especially in semi-urban and rural areas are conducted by the branch functionaries to positively respond to the national goals and targets of SC/ST.

In order to effectively evaluate the positive attitude towards upliftment of SC/ST officials, the Annual Confidential reports of all bank officials carry special weightage for their respective attitude and contribution.

Recommendation (Sl. No. 44, Para No. 4.87)

3.50 The Committee also observe that the bank has provided consolidated data for SCs and STs with regard to the credit facilities provided to them in Part II of the Report. The Committee desire that data in respect of SCs/STs should henceforth be provided separately.

Reply of the Government

3.51 The two points of the 20 point programme namely Justice for SC and Justice for ST exclusively gives information on disbursement of credit to SC/ST during the year and

outstanding amount to Scheduled Castes and Scheduled Tribes separately. The information provided by the Bank is as per proforma formulated by RBI/GOI.

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Sl. No. 1, Para No. 1.8)

4.1 The Committee note that during the period from 28.09.1989 to 23.04.2004, Government had appointed /nominated three SC/ST Members on the Board of Directors of the Bank . However, at present there is no member from SC/ST communities on the Board of Directors of the Bank. The Committee note that some guidelines stipulating there in to give representation to persons belonging to SC/ST communities on the Board of Directors after 23-04-2004. The Committee take serious view of the matter that no efforts seem to have been made by the Government in this regard. The reply of the Bank that it is fully owned by the Government and it is for the Government to appoint Directors on the Board makes it obvious that the Government is solely responsible for not nominating a Director from SC/ST communities. The Committee, therefore, recommend that the Government should appoint/nominate atleast one SC/ST on the Board as provided in the guidelines at the earliest. The Committee also recommend that the Government should always make a effort to nominate/appoint a SC/ST members on the Board as part-time Directors.

Reply of the Government

4.2 The Part-Time Non-official Directors on the Board of Directors of the Public Sector Banks are appointed as per the guidelines approved by the Appointments Committee of the Cabinet which stipulate that, ' as far as possible representation may also be given to women and the persons belonging to SC/ST community'.

4.3 Appointments that have taken place after 23.04.2004, show that members of the SC/ST Community have been represented on the Boards of Public Sector Banks as below:

Bank	Category	Community	Date of
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			appointment
Corporation Bank	Govt. Nominee	SC	25.03.2004
Canara Bank	RBI Nominee	SC	26.08.2004
Syndicate Bank	Govt. Nominee	SC	24.09.2004
Dena Bank	Govt. Nominee	SC	25.04.2005
Bank of India	Part-time Non-official Director	SC	03.10.2005
Indian Bank	RBI Nominee	SC	03.10.2005
Central Bank of India	Part-time Non-official Director	SC	10.11.2005
NABARD	RBI Nominee	SC	16.10.2006
State Bank of Hyderabad	Govt. Nominee	SC	09.06.2008
Corporation Bank	Govt. Nominee	SC	09.12.2009
State Bank of Travancore	Govt. Nominee	SC	27.01.2010
Central Bank of India	ED*	SC	19.12.2008
Corporation Bank	CMD*	SC	01.09.2010
State Bank of India	Part-time Non-official Director	SC	01.10.2010
Bank of India	Part-time Non-official Director	ST	30.09.2005
United Bank of India	Part-time Non-official Director	ST	10.01.2006
UCO Bank	Part-time Non-official Director	ST	10.01.2006

* The ED, Central Bank of India, Shri Ramnath Pradeep was later appointed as CMD, Corporation Bank.

Comments of the Committee

4.4 Please see Para No. 1.7 of Chapter I.

Recommendation (Sl. No. 2, Para No. 1.9)

4.5 In respect of full-time Directors, the representation of a SC/ST member on the Board seems remote, since the Government do not provide promotions for SC/ST officers in higher scales even through Article 16(4) states that “Nothing in this article shall prevent the State from making any provisions for the reservation for the appointments or posts in favour of any backward class of citizens which, in the opinion of the State, is not adequately represented in the services under the state” and Article 16(4A) which states that “ nothing in the article shall prevent the State from making any provision for reservation in matters of promotion, with consequential seniority to any class or classes of posts in the services under the State in favour of the Scheduled

Castes and the Scheduled Tribes which, in the opinion of the State are not adequately represented in the services of the State". Having also noted that the Board of Directors review reports with regard to implementation of reservation policy for SCs and STs on annual basis, the committee feel that having atleast one member on the Board from SC/ST categories become s more necessary to have a representative from these communities. The Committee, therefore, recommend that in view of the constitutional mandate, the Government should provide reservation on appointment and promotion of officers in higher scales so that SC/ST officers may also get an opportunity to become functional Directors of the Bank.

Reply of the Government

4.6 Executive Directors/Chairman & Managing Directors on the Board of Directors of the Bank are appointed on the basis of recommendations of the Appointments Board and approval of ACC from amongst the pool of General Managers/CGMs of the public sector banks and Executive Directors of nationalized banks, respectively. Persons belonging to SC/ST community, wherever available in the feeder grades, have been promoted/appointed by the Government, as per selection process prescribed, on the Board of Directors of Banks.

Comments of the Committee

4.7 Please see Para No. 1.10 of Chapter I.

Recommendation (Sl. No. 7, Para No. 2.28)

4.8 The committee are also surprised by the reply that when it queried as to whether any time frame for clearing of SC/ST shortfall has been fixed, it was casually replied that the Bank is in the process of undertaking another Special Recruitment Drive for filling up

the backlog of 46 ST vacancies in Officers cadre within a year. The Committee are concerned not only about backlog of SC and ST vacancies , but concerned about shortfall of SC and ST in every recruitment and promotion year. It seems that the Ministry and the Bank are interchanging backlog vacancies and shortfall and trying to confuse the Committee. How the shortfall as on 1.1.2008 can be mixed up with backlog of 46 ST vacancies which resulted after Special Recruitment Drive carried out in the years 2005 and 2006. The Committee feel that by not filling up the SC/ST vacancies for years together, the Bank has been taking away the constitutional rights of the SC/ST unemployed youths. The Committee feel that by mixing up shortfall and backlog vacancies together, the Bank has tried to mislead them. The Committee, therefore, recommend that the Ministry of Finance should ensure that the Bank revises the backlog and shortfall vacancies of SC/ST as on 31-03-2008 and continues to maintain separate record for shortfall and backlog vacancies in future too. The Committee should also be apprised of the action taken in this regard.

Reply of the Government

4.9 The Bank is taking appropriate steps/measures to maintain separate records of backlog and shortfall of SC/ST vacancies as on 31.03.2008.

Comments of the Committee

4.10 Please see Para No. 1.23 of Chapter I.

Recommendation (Sl. No. 8, Para No. 2.29)

4.11 The Committee also note that backlog of 46 ST vacancies in the officer cadre could not be filled up due to non-availability of suitable candidates. The Committee note that lack of “suitable” candidates has been often been cited as one of the reasons for not filling up the reserved vacancies. The Committee desire to be explained as to what

constitutes “suitability” for each of the vacancy mentioned in the report for which the Bank has not selected candidates citing non-availability of suitable candidates. The Committee would like to be apprised about the details of 46 ST vacancies in officers cadre for which the Bank was in the process of undertaking another special recruitment drive.

Reply of the Government

4.12 In the year 2006, Bank had initiated Special Recruitment Drive for filling up of Backlog of 86 ST vacancies in officer cadre pertaining to the period w.e.f 02-07-1997 to 01-07-2004 and in the special drive 40 vacancies of ST were filled and 46 ST vacancies were remaining unfilled due to the reason that these remaining ST candidates were not able to secure the minimum qualifying marks allocated in the interview for selection. Bank has included this backlog of 46 ST vacancies in the on going direct recruitment process which is in the final stage of completion .A second attempt has been initiated by the Bank to fill these backlog vacancies along with the fresh vacancies in direct recruitment. It is expected that all backlog vacancies shall be filled up by 31.03.2011.

Recommendation (Sl. No. 19, Para No. 3.48)

4.13 The committee also note that the Bank had received a representation from Shri P.N.Choudhary belonging to SC category, Ex-Manager, through this committee, Ministry of Finance and the National Commission for Scheduled Castes. The Bank has reported that the representation was misleading and devoid of facts as Shri Chaudhary was not dismissed from the services on false charges as alleged by him. It was further stated that certain serious irregularities were committed by him for which he was chargesheeted. A departmental enquiry was conducted and allegations were

established on the basis of documentary as well as oral evidence. During the enquiry, he was given fair opportunity to put his case and defend himself. The Committee also note that out of 24 charges leveled against Shri Chaudhary , 22 were held fully proved and one has partially proved by the inquiry officer. However, the Disciplinary Authority, after independent application of mind on the inquiry report , the oral and documentary evidence adducted in the case of declared 17 charges as fully proved 5 as partially proved. No other officer of the Bank has been held accountable for charges levied against Shri Choudhary . Also, no false and fabricated documents and evidence were used against Shri Chaudhary during the course of inquiry.

Reply of the Government

4.14 The accusation leveled against the Bank authorities of being biased in meeting out different punishment to officials who belong to Scheduled Castes/Scheduled Tribes and often lead to major punishment to the officials from oppressed society and minor punishment to other is strongly denied by the Bank.

Recommendation (Sl. No. 20, Para No. 3.49)

4.15 The committee observe that the Bank authorities had taken action against Shri Chaudhary based on the report submitted by the Disciplinary authority. The case had not been referred to either CBI or an independent investing agency as requested by the accused officer citing unfair inquiry conducted by the Disciplinary Authority. The Bank authorities had been accused of meting out differential punishment to officials who belong to Scheduled Castes/Scheduled Tribes and others, often leading to major punishments to the officials from oppressed society and minor punishments to others even after agencies like CBI confirming their fraudulent acts. The Committee feel that such a situation, if found to be true, does not augur well for the ethos and ideas that are

enshrined in our constitution that provides special protection to the Scheduled Castes and Scheduled Tribes and equality before law. The Committee, therefore, want the Bank to furnish detailed reply about fraudulent activities found to have been committed, inquiry/investigation done, nature of crime committed, quantum of money involved and punishment meted out to each one of them, during the years from 2005 to 2009.

Reply of the Government

4.16 There is no reality in the said accusation against the bank authorities. The record for the period 2005 to 2009 reveals that there had been 93 cases where major punishments of Dismissal/Compulsory Retirement/Removal from services were imposed upon the officials, involved in fraudulent activities laced with malafide intention. Out of these, 73 belonged to the General Category and 20 to SC/ST category. Moreover, the imposition of penalty is based upon outcome of the Enquiry proceeding , which is conducted as per Provisions of Bi-partite Settlement or in accordance to the Discipline and Appeal Regulations, as the case may be. The money/loss involved is not the only factor while deciding the quantum of punishment. The severity of punishment is decided independently by the Disciplinary Authority after considering other factors like charges proved, intent, nature of lapses i.e. procedural or malafide , repetition of lapses, concealment of facts and the loss/likely loss to the bank, if any, and that too after seeking concurrence from the Vigilance Department. Hence the accusation against the authorities does not contain any merit and is void ab initio.

Comments of the Committee (Recommendation Sl. No. 19 & 20)

4.17 Please see Para No. 1.44 of Chapter I.

Recommendation (Sl. No. 21, Para No. 3.50)

4.18 The committee observed that the case of Shri Chaudhary was not referred to other independent agency or CBI for their inquiry, as agreed to by the Bank, in a meeting held on 19-03-2008 with them. A necessity arises particularly when Shri Chaudhary had alleged that the inquiry against him was biased and not fair. The plea of the Ministry is that they have carefully examined the case and has come to the conclusion that in the light of the clarifications provided and due to the fact that the stipulated procedures have been followed in the inquiry and in disposal appeal no further action needs to be taken. The Ministry has further stated that to conduct Departmental enquiry is a quasi-judicial procedure and there is no scope for interference issue of directions to Disciplinary Authority. The Committee feel that in order to completely do away with any iota of subjectivity of inquiry and judgement since the whole inquiry and decision were taken by the Bank's own officials, an independent inquiry in this case should be conducted by an independent investigative agency instead of Punjab & Sind Bank. The Committee would also like to know the present status of the case.

Reply of the Government

4.19 It is submitted that Sh. Chaudhary was dismissed from Bank's services vide DA, ZM New Delhi-I order dated 13-09-2007 on account of his proven misconduct of gross financial irregularities committed by him while working as Incharge of Branch Office Loni. The irregularities included fraudulent transactions. His appeal was rejected by the Appellate Authority, GM(P) vide order dated 04-06-2008. Subsequently he filed a Review Petition dated 30-06-2008 which was found to be devoid of any new facts. However, the Reviewing Authority, taking a lenient view on humanitarian ground, modified the penalty from Dismissal to Compulsory Retirement. The Disciplinary Action against Sh. Chaudhary has been done away in accordance with the PSB Officer

Employees' (D & A) Regulations, 1981, which is a statutory Regulation and there is no further remedy after the Review. While all stipulated procedures have been followed in the inquiry and in disposal of the appeal, it is felt that no further action needs to be taken.

The Bank does not feel any necessity to re-investigate the case from any outside agency.

Comments of the Committee

4.20 Please see Para No. 1.47 of Chapter I.

Recommendation (Sl. No. 24, Para No. 4.25)

4.21 The Committee note that credit flow to SCs/STs from Public Sector Banks is being monitored by the Department of Financial Services as of March 2008 onwards. A Credit Monitoring Cell in the Department is monitoring the progress of credit extended to SCs/STs as a part of lending to weaker sections under Priority Sector Lending of the Banks. It has further been stated that monitoring of progress is being done at State Level Bankers Committee (SLBC) level through Quarterly reporting by Convener Banks of SLBC and participation in SLBC meetings. Further, as a part of monitoring/review mechanism, RBI is issuing instructions to all Scheduled Commercial Banks to implement the Schemes to achieve the targets set under different Schemes and play active role for implementation. Further, the Committee note that RBI is also monitoring the credit flow to SCs/STs under priority sector through the half yearly and annual priority sector returns from the Banks. RBI is also monitoring performance of Scheduled Commercial Banks in credit lending to SCs/STs under various schemes such as SGSY, SJSRY, SLRS/SRLS etc. through receipt of monthly/quarterly progress reports and half yearly recovery statements from Banks. The Committee also note that

Punjab & Sind Bank has a separate Priority Sector Advances Department headed by a General Manager. The Department looks after the advances covered under priority sector segment as per the stipulation of the Government. The Committee note that in the Master Circular on priority sector lending – credit facilities to SCs and STs issued by the RBI dated 1st July, 2009 to all the scheduled commercial banks, it has been specifically stated that a Special Cell should be set up at the head office of banks for monitoring the flow of credit to SC/ST beneficiaries. Apart from ensuring the implementation of RBI guidelines. The Cell would also be responsible for collection of relevant information / data from the branches, consolidation thereof and submission of the requisite returns to RBI and Government. The Committee, however, note that presently Punjab & Sind Bank does not have a Special Cell. The Committee, therefore, recommended that Punjab & Sind Bank should set up a Special Cell to monitor flow of credit to SC/ST beneficiaries at the earliest so that it may fulfill the job entrusted to it as per the instruction given by RBI. The Committee also urge RBI to ensure that all the public sector banks including the Punjab & Sind Bank follow the instruction issued by them in letter and spirit so that the objective of monitoring priority sector lending to weaker sections especially SC/ST beneficiaries may be met effectively.

Reply of the Government

4.22 The Bank has set up SC/ST Cell at Head Office Priority Sector (Advances) Deptt. to monitor the flow of credit to SC/ST beneficiaries. The SC/ST Cell ensures the implementation of RBI guidelines and regular collection of relevant information/data from branches and submission to RBI after consolidation.

Comments of the Committee

4.23 Please see Para No. 1.56 of Chapter I.

Recommendation (Sl. No. 26, Para No. 4.34)

4.24 The Committee are also not convinced by the reply of the Ministry in regard to performance of the Bank that there appears to be growth in advances of SCs/STs. If there is an actual increase in the advances to SC/ST beneficiaries, there would have been a corresponding increase in share of SC/ST beneficiaries too. Further, there is no mention of total number of weaker sections to which bank advances were given vide statements at para 4.26. It is, therefore, difficult to compare and accept the percentage figure of SC/ST beneficiaries as furnished. The Committee also note that no separate share of SCs/STs has been fixed in the 10% of the total advances earmarked for weaker sections. The Committee, therefore, recommend that the Government should ensure that Punjab & Sind Bank takes immediate necessary measures and their shares in the bank credit do not fall below 22.5% of the total share within the weaker sections under priority sector advances.

Reply of the Government

4.25 Regarding fixing of share to SC/ST in Bank advances 10% earmarked for weaker sections, the Bank has stated that all efforts are being made to achieve the target of 10% to weaker section of Adjusted Net Bank Credit (ANBC).

Comments of the Committee

4.26 Please see Para No. 1.59 of Chapter I.

Recommendation (Sl. No. 28, Para No. 4.41)

4.27 Further, the Committee note that as regards the progress reports in respect of the implementation of the Government sponsored schemes being submitted by the

Bank no significant shortcomings and inconsistencies as such which are substantially at variance with those observed in the case of the other public sector banks had been observed. However, the Committee desire to know the shortcomings and inconsistencies that had been observed in the performance of all the Public Sector Banks as a whole and how it compares with the Punjab & Sind Bank. The reply may be given with detailed statistics with percentage.

Reply of the Government

4.28 The bank is implementing the Central/State sponsored schemes and has sent instructions to the Zonal managers that all the District Coordination Committee (DCC)/District Level Review Committee (DLRC) meeting must be attended by the senior officials and schemes are implemented and monitored on the regular basis. The progress of the schemes are sent periodically to the Government on the prescribed formats.

Comments of the Committee

4.29 Please see Para No. 1.65 of Chapter I.

Recommendation (Sl. No. 43, Para No. 4.86)

4.30 The Committee note that the Bank is reported to comply with guidelines in respect of 20 Point Programme. The Bank has furnished the performance report of the Bank during the year(s) 2005-06, 2006-07 and 2007-08 but has not provided separate data of SCs/STs as desired by the Committee. The Committee observed that the Ministry of Finance and Punjab & Sind Bank are not at all serious about SCs and STs.

That is why the information furnished to the Committee is very casual. The Committee takes serious note of this fact that want this to be brought to the knowledge of the Minister. The Committee recommend that data in respect of SC/ST wherever collected should always be kept separately in respect of schemes/programmes including 20 Point Programme. The Committee further recommend that the Ministry of Finance should issue necessary direction in this regard.

Reply of the Government

4.31 The two points of the 20 point programme namely Justice for SC and Justice for ST exclusively gives information on disbursement of credit to SC/ST during the year and outstanding amount to Scheduled Castes and Scheduled Tribes separately. The information provided by the Bank is as per proforma formulated by RBI/GOI.

Comments of the Committee

4.32 Please see Para No. 1.92 of Chapter I.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF FINAL REPLIES OF THE GOVERNMENT HAVE NOT BEEN RECEIVED

Recommendation (Sl. No. 5, Para No. 2.17)

5.1 The committee observe from the details of recruitment at para 2.13, that recruitment was conducted in the year 2006 only when 43 SC and 40 ST in officer category , and 16 SC and 5 ST in clerk and sub-staff categories respectively had been recruited. It seems that SC/ST persons recruited were against the carry forward vacancies from the year 2005. The Committee are distressed to note that the Bank had to resort to Special Recruitment Drive after accumulating SC/ST posts over the years. The Committee strongly recommend that the SC/ST vacancies should be filled up within the same recruitment year. If sufficient number of suitable SC/ST candidates do not become available to fill up the vacancies reserved for them in the first attempt of recruitment, another attempt should be made in the same recruitment year so that no backlog vacancies are created. The Committee also strongly recommend that the Bank should maintain separated data for current vacancies and backlog vacancies for Direct Recruitment so that there is no confusion in shortfall and backlog vacancies. The Committee note that despite the Special Recruitment Drive , there are still 46 ST posts in officer category and 2 SC posts in clerk category lying vacant . The Committee strongly recommend that all backlog vacancies of 46 ST post and 2 SC posts should be filled up at the earliest and the outcome thereof should be furnished to them.

Reply of the Government

5.2 The process of direct recruitment for filling up of 815 vacancies including backlog of 46 ST & 02 SC vacancies in Officer Cadre (Scale-I,II,& III) and Clerical cadre respectively had already been initiated by the Bank and the on going process is nearing

completion. The details of the backlog of SC/ST vacancies being filled in the on- going recruitment process will be provided to the Committee. In case the SC/ST vacancies remains unfilled in the current recruitment process due to non-availability of sufficient number of suitable SC/ST candidates, the Bank will make efforts to conduct another attempt of recruitment in the same year in order to fill the above SC/ST vacancies .

**New Delhi;
April, 2012**

Vaisakh, 1934 (Saka)

**GOBINDA CHANDRA NASKAR
Chairman
Committee on the Welfare
of Scheduled Castes and
Scheduled Tribes**

APPENDIX - II
(Vide Para 4 of Introduction)

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS
CONTAINED IN THE EIGHTH REPORT (FIFTEENTH LOK SABHA) OF THE COMMITTEE
ON THE WELFARE OF SCHEDULED CASTES
AND SCHEDULED TRIBES.**

1.	Total number of recommendations	44
2.	Recommendations/Observations which have been accepted by the Government (<u>vide</u> recommendations at Sl. Nos. 4, 9, 10, 11, 12, 13, 17, 18, 36, 37, 41 and 42)	
	Number	13
	Percentage to the total	30%
3.	Recommendations/Observation which the Committee do not desire to pursue in view of the Government replies (<u>vide</u> recommendations at Sl. Nos. 3, 6, 15, 16, 22, 23, 25, 27, 29, 30, 34, 35, 32, 33, 38, 39, 40 and 41)	
	Number	18
	Percentage to the total	41%
4.	Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration (<u>vide</u> recommendations at Sl. Nos. 1, 2, 7, 8, 19, 20, 21, 24, 26, 28, 31 and 43)	
	Number	12
	Percentage to the total	27%
5.	Recommendations/observations in respect of which final replies of the Government have not been received (<u>vide</u> recommendations at Sl. No. 5)	
	Number	1
	Percentage to the total	2.2%