

COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES 2014-15

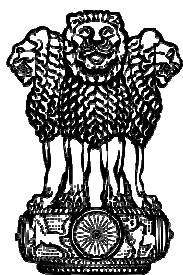
SIXTEENTH LOK SABHA

MINISTRY OF FINANCE

(Deptt. of Financial Services)

[Action taken by the Government on the Recommendations/Observations contained in the Fourth Report (Fifteenth Lok Sabha) of the Committee on Welfare of Other Backward Classes on "Reservation in employment and welfare measures for OBCs in the Reserve Bank of India"]

FIRST REPORT



सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW Delhi

18th March, 2015/Phalguna 27, 1936 (Saka)

FIRST REPORT
COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES
(2014-15)

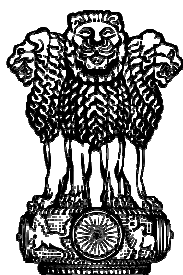
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Presented to Lok Sabha on 18th March, 2015

Laid in Rajya Sabha on 18th March, 2015



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LOK SABHA SECRETARIAT
NEW DELHI
18th March, 2015/ Phalguna 27, 1936 (Saka)

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COMPOSITION OF THE COMMITTEE ON WELFARE OF OBCs (2014-15)

SHRI RAJEN GOHAIN- CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri A. Arunmozhithevan
3. Shri Bijoy Chandra Barman
4. Dr. Subhash Bhamre
5. Shri Ramesh Bidhuri
6. Dr. Boora Narsaiah Goud
7. Shri Prataprao Jadhav
8. Shri Ram Mohan Naidu Kinjarapu
9. Dr. Banshilal Mahato
10. Dr. (Smt.) Pritam Gopinath Munde*
11. Shri Rodmal Nagar
12. Smt. Anupriya Patel
13. Shri Mullappally Ramachandran
14. Shri Rajeev Satav
15. Shri Ganesh Singh*
16. Dr. Nepal Singh
17. Shri Rajveer Singh
18. Shri Ladu Kishore Swain
19. Shri Akshay Yadav
20. Shri Om Prakash Yadav

RAJYA SABHA

21. Shri Ram Narain Dudi
22. Shri B.K. Hariprasad
23. Shri Ahamed Hassan
24. Shri Narendra Kumar Kashyap
25. Shri Vishambhar Prasad Nishad
26. Shri V. Hanumantha Rao
27. Smt. Vijila Sathyananth
28. Shri Ashk Ali Tak
29. Shri Ram Nath Thakur
30. Shri Shankarbhai N. Vegad

SECRETARIAT

- | | | | |
|----|---------------------------|---|----------------------------|
| 1. | Smt. Anita Jain | - | <i>Joint Secretary</i> |
| 2. | Shri J.V.G Reddy | - | <i>Director</i> |
| 3. | Shri R.R. Kumar | - | <i>Additional Director</i> |
| 4. | Shri Abhishek Singh Yadav | - | <i>Committee Assistant</i> |

* Elected as Members of the Committee w.e.f. 12.12.2014 vice Shri Bandaru Dattatreya, MP and Shri Hansraj Gangaram Ahir, MP appointed Ministers on 09.11.2014

INTRODUCTION

I, the Chairperson, Committee on Welfare of Other Backward Classes having been authorized by the Committee to present the Report on their behalf, present this First Report on "Action taken by Government on the recommendations/observations contained in the Fourth Report (Fifteenth Lok Sabha) of the Committee on Welfare of Other Backward Classes on 'Reservation in employment and welfare measures for OBCs in the Reserve Bank of India'".

2. The Fourth Report was presented to Lok Sabha on 07.02.2014. The replies of the Government to all the recommendations contained in the Report were received on 18.07.2014.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 27.01.2015.

4. An analysis of the Action Taken by the Government on the recommendations/observations contained in the Fourth Report (Fifteenth Lok Sabha) of the Committee is given in Appendix-II

NEW DELHI;
27th January, 2015
Magha 7, 1936 (Saka)

RAJEN GOHAIN,
Chairperson,
COMMITTEE ON WELFARE OF OBCs.

CHAPTER I

REPORT

This Report of the Committee on Welfare of Other Backward Classes deals with the action taken by the Government on the Recommendations/Observations contained in their Fourth Report (Fifteenth Lok Sabha) on "Reservation in employment and welfare measures for OBCs in the Reserve Bank of India" pertaining to the Ministry of Finance (Department of Financial Services).

2. The Fourth Report (Fifteenth Lok Sabha) of the Committee was presented to Lok Sabha on 7th February, 2014 and was laid on the Table of Rajya Sabha on the same day. The Report contained 6 Recommendations/Observations. Action taken notes in respect of all the Recommendations/Observations contained in the Report have been received from the Government. These have been examined and categorised as follows:

i. Recommendations/Observations which have been accepted by the Government:

Recommendation Sl. Nos. 2, 3, 4 and 5.....

(Total - 4)
Chapter II

ii. Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies:

Nil

(Total - Nil)
Chapter III

iii. Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Recommendation Sl. No. 6

(Total - 1)
Chapter IV

iv. Recommendations/Observations in respect of which final replies of the Government are still awaited:

Recommendation Sl. No. 1.....

(Total - 1)
Chapter V

3. The Committee desired that Action Taken Notes on the Recommendations/Observations contained in Chapter I of the Report and final replies in respect of the Recommendation/Observation contained in Chapter V of the Report for which only

interim replies have been given by the Government should be furnished to the Committee within three months of the presentation of this Report.

4. The Committee will now deal with the action taken by the Government on some of the Recommendations/Observations which need reiteration or comment in the succeeding paragraphs.

Reservation in recruitment

Recommendation (Sl. No. 2)

5. The Committee in their Fourth Report (Fifteenth Lok Sabha) had observed that there had not been any regular recruitment in Class IV during last four years while in class III, recruitment of 1000 Assistants was made in 2012. In Class I service, the Committee had pointed out that there were six backlog vacancies for OBCs in the post of Assistant Manager (Security) in 2010 which stood reduced to 3 in 2013. The Committee were surprised that the RBI was not able to fulfill even 3 backlog vacancies in last three years even after launching a special recruitment drive in 2011. The Committee had therefore recommended that the Reserve Bank of India should make all out efforts to fill up the backlog of remaining three vacancies in OBC category in the post of Assistant Manager (Security) and one vacancy in Grade B campus recruitment at the earliest. Also, the regular recruitments may be made in Class II and Class IV posts regularly and the OBCs may be given their due share.

6. In their Action Taken Notes, the Reserve Bank of India has stated as under:-

“03 backlog of OBC in the last special recruitment drive of Security Officer conducted for the panel year 2010 has been taken care of and 10 OBC candidates have been selected in the current recruitment drive taking care of earlier backlog of 03.

As regards one backlog of OBC in Grade 'B' campus recruitment it will be taken care of while undertaking the campus recruitment in future.

As regards the Committee's recommendation to make regular recruitment it is mentioned that there is no Class II in our Bank. However, whenever the recruitment for Class IV post are being made reservation for OBC have always been made as per Government of India's Instructions.”

7. The Committee in their Original Report had recommended that the Reserve Bank of India (RBI) should make concerted efforts to fill up all the backlog of vacancies in OBC category especially for 3 vacancies of Assistant Manager (Security) and 1 vacancy in Grade B. The Committee had sought the final results of the next recruitment process in this regard. While recommending so, the Committee had expected that the RBI would provide a complete information of the total number of vacancies advertised, number of vacancies reserved for OBC therein, number of OBC backlog vacancies carried forward and the no. of candidates finally selected and joined against these vacancies. The Committee find that the RBI has given a very simplistic and routine reply. Even for a single vacancy in Grade B, it has been stated by the RBI that it will be taken care of while undertaking the campus recruitment in future. The Committee in their Original Report had also recommended *inter-alia* that regular recruitment should be made in Class IV posts and the OBCs be given their due share. However, the Committee are disappointed to note that the reply given by the RBI does not give any details of any regular recruitment made in the past and the representation given to OBCs therein. Nor does the reply indicate the backlog vacancies which are yet to be filled up and the action proposed to be taken to eliminate the backlog at the earliest. The Committee, therefore, reiterate that regular recruitment especially in Class IV should be made with due representation to OBC category in future.

Representation of OBCs in Selection Committees/Boards

Recommendation (Sl. No. 3)

8. In their Fourth Report (Fifteenth Lok Sabha), the Committee had observed that the Reserve Bank of India had not included any OBC representative on the selection committee even though the Ministry of Personnel P.G. & Pensions (Department of Personnel & Training)

OM No.42011/15/95- Estt.(SCT) dated 11th July 1995 stipulates mandatory inclusion of a member of SC/ST/OBC Community in selection committees/boards for making recruitment to ten or more vacancies in Group 'C' or Group 'D' posts/services . The DoPT also emphasized in the said OM that no effort should be spared in finding a SC/ST/OBC representative in the selection committees/boards even if the number of vacancies against which selection is to be made is less than ten. In view of the Government's directive, the Committee had expressed hope that RBI would include representative of OBCs also periodically on its selection committees/boards.

9. The Reserve Bank of India in their Action Taken Notes stated as follows:-

“The instructions issued by Government of India regarding representation of OBCs in Selections Committees/Boards are noted for implementation.”

10. **The Committee in their Fourth Report (Fifteenth Lok Sabha) had referred to the DoPT OM dated 11th July, 1995 which stipulates mandatory inclusion of a member of SC/ST/OBC community in selection committees/boards for making recruitment to ten or more vacancies in Group 'C' or Group 'D' posts/services. The Committee find that the Government has now reviewed the policy in this regard and has decided vide DoPT OM No. 42011/2/2014-Estt. (Res.) dated 13th February, 2014 to include an exclusive member belonging to OBC category in the selection Committee/board for making recruitment to 10 or more vacancies in any level of posts or services. Even in the case of less than ten vacancies, no effort should be spared in finding such officer from OBC category amongst other members for inclusion in the selection committee/board. The Committee had been raising the issue consistently since their very inception and appreciate the decision taken by the Government for issuing directive to include an exclusive member of OBC category in the selection Committee/Board for recruitment in any level of posts or services. The Committee recommend that Reserve Bank of India follow the recent directives of the Government in letter and spirit for ensuring the delivery of rightful benefits to OBC candidates in recruitments.**

Financial Support to OBCs

Recommendation (Sl. No. 6)

11. In their Fourth Report (Fifteenth Lok Sabha), the Committee had observed that reservations /concessions available under certain Central Government Sponsored Schemes are applicable to SC/ST beneficiaries only and these reservations /concessions are not available to OBCs. According to the Reserve Bank of India, there are no specific instructions

from the Government of India for financial support to the OBCs through commercial banks. In view of this the Committee had taken a very strong view of the discrimination being meted out to OBCs as to how the interests of OBCs in vital areas like financial support through commercial banks and credit support through various Government Sponsored Schemes are being set aside by the Government of India which is under Constitutional obligation to promote all weaker sections of society including OBCs by guarantying to them social, economic and political justice. The Committee had therefore recommended that the Reserve Bank of India and the Deptt of Financial Services should take initiative to include reservations / concessions being extended to SCs/STs to the persons belonging to OBC community also in all the Central/State Government sponsors Schemes / Programmes and also to extend financial support in the form of loans at concessional rates to the students and entrepreneurs of OBC community in order to enable them to become self-Dependent and to enhance their self-esteem. The Committee would like to be apprised of the action taken in this regard.

12. In the Action Taken Replies to the Fourth Report of the Committee the Reserve Bank of India stated as under:

“We refer to this Department OM No.19/01/2014 - Welfare dated 21.02.2014 on the above mentioned subject and to say that as per extant guidelines of Reserve Bank of India (RBI) on Priority Sector Lending (PSL), all Scheduled Commercial Banks (SCBs) including Public & Private Sector Banks are required to earmark 10% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure, whichever is higher, for Weaker Sections, which inter-alia include:

- (a) Small and Marginal farmers;
- (b) Artisan's, village and cottage industries where individual credit limits do not exceed Rs.50,000/-
- (c) Beneficiaries of Swarna Jayanti Gram Swarozgar Yojana (SGSY), now National Rural Livelihood Mission (NRLM);
- (d) Scheduled Castes and Scheduled Tribes.
- (e) Beneficiaries of Differential Rate of Interest (DRI) Scheme

- (f) Beneficiaries of Swarna Jayanti Shahari Rozgar Yojana (SGSRY)
- (g) Beneficiaries under the Scheme for Rehabilitation of Manual Scavenger (SRMS)
- (h) Loans to Self Help Groups;
- (i) Loans to distressed farmers indebted to non-institutional lenders;
- (j) Loans to distressed persons other than farmers not exceeding, Rs.50,000/- per borrower to prepay their debt to non-intuitional Lenders;
- (k) Loans to individual women beneficiaries up to Rs.50,000/- per borrower.
- (l) Loans sanctioned under (a) to (k) above to persons from minority communities as may be notified by Government of India from time to time.

From the above list it may be observed that OBC community would have got covered to a great extent under one or the other category. However, no separate target/reservation is stipulated for OBC Community”.

13. The Committee in their Original Report had recommended that reservations/concession given to SCs/STs may also be extended to OBC community in all the Central/State Governments sponsored schemes and also to provide loans at concessional rates to the students and entrepreneurs of OBC community. The Committee, however, find that the RBI, in its guidelines, has included SC, ST community, individual women beneficiaries and also persons from minority communities in the list of Weaker Sections for Priority Sector Lending (PSL). The Committee are not convinced with the assumption that OBC community would have got covered to a great extent under one or the other category covering small and marginal farmers, artisans, distressed indebted persons/farmers, beneficiaries of the National Rural Livelihood Mission (NRLM), DRI Scheme, Swarna Jayanti Shahari Rozgar Yojana (SGSRY), etc. In fact, the Committee feel that the OBC Community has been conspicuously ignored by the RBI while preparing the list of weaker sections of the society. Rather RBI has failed to appreciate the ground condition, sufferings and struggles in the life of socially and educationally backward section of the society. The Committee, therefore, reiterate that

the Reserve Bank of India and the Deptt. of Financial Services should take initiative to include reservations/concessions being extended to SCs/STs to the persons belonging to OBC community also in all the Central/State Government sponsored Schemes/ Programmes and also to extend financial support in the form of loans at concessional rates to the students and entrepreneurs of OBC community in order to enable them to become self-dependent and to enhance their self-esteem.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No.2)

Reservation in recruitment

The Committee note that the Reserve Bank of India is implementing the reservation orders of the Government of India in recruitment in favour of Other Backward Classes since the date of enforcement of reservation order i.e. 8th September 1993. In Class I (Grade A and B) services, the prescribed share of 27% for OBCs is being made applicable in All India open competitive recruitments whereas in class III and class IV posts, reservation for OBCs varies from State to State as per the Government of India guidelines. The Committee have also noted that there has not been any regular recruitment in Class IV during last four years while in class III, recruitment of 1000 Assistants was made in 2012. In Class I service, the scrutiny of the data supplied by the Reserve Bank of India revealed that there were six backlog vacancies for OBCs in the post of Assistant Manager (Security) in 2010 which stood reduced to 3 in 2013. Though the Committee feel that the figure of 3 backlog vacancies in OBC category is not alarming and agree with the Secretary , Department of Financial Services that the position is not very dismal, yet they are surprised that the RBI is not able to fulfill even 3 backlog vacancies in last three years even after launching a special recruitment drive in 2011. The Committee therefore recommend that the Reserve Bank of India should make all out efforts to fill up the backlog of remaining three vacancies in OBC category in the post of Assistant Manager (Security) and one vacancy in Grade B campus recruitment at the earliest. The Committee would like to be apprised of the final results of the next recruitment process in this regard. Further, the Committee recommends that regular recruitments may be made in Class II and Class IV posts regularly and the OBCs may be given their due share.

REPLY OF THE GOVERNMENT

03 backlog of OBC in the last special recruitment drive of Security Officer conducted for the panel year 2010 has been taken care of and 10 OBC candidates have been selected in the current recruitment drive taking care of earlier backlog of 03.

As regards one backlog of OBC in Grade 'B' campus recruitment it will be taken care of while undertaking the campus recruitment in future.

As regards the committee's recommendation to make regular recruitment it is mentioned that there is no Class II in our Bank. However, whenever the recruitment for Class IV post are being made reservation for OBC have always been made as per Government of India's Instructions.

**Ministry of Finance (Deptt. of Financial Services)
[Reserve Bank of India] - CO.HRMD. No. 17795/05.57.01/2014-15**

**COMMENTS OF THE COMMITTEE
(Please see Para No. 7 of Chapter – I of the Report)**

Recommendation (Sl. No.3)

Representation of OBCs in Selection Committees/Boards

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

REPLY OF THE GOVERNMENT

The instructions issued by Government of India regarding representation of OBCs in Selections Committees/Boards are noted for implementation.

**Ministry of Finance (Deptt. of Financial Services)
[Reserve Bank of India] - CO.HRMD. No. 17795/05.57.01/2014-15**

COMMENTS OF THE COMMITTEE
(Please see Para No. 10 of Chapter – I of the Report)

Recommendation (Sl. No.4)

Training facilities for OBC candidates/employees

The Committee note that the Ministry of Finance (Deptt of Financial Services) had issued instructions on 31st October , 2012 for Public Sector Banks/Insurance Companies, Financial Institutions and Reserve Bank of India emphasizing the need to provide pre-recruitment/pre-promotion and in-service training to the Scheduled Castes, Scheduled Tribes and OBC candidates/employees for upgrading their skill to bring them at par with their counterparts . But the Committee are dismayed to find that the Reserve Bank is not providing any pre-recruitment or pre-promotion training to the OBC candidates/employees . What is more perturbing to the Committee is the fact that the RBI has attributed this omission to the lack of any instruction from the Government of India in this regard. By not giving pre-recruitment/pre-promotion training the Committee feel that the RBI is depriving the OBC candidates/employees of their Constitutional rights for their development. The Committee are of the firm view that being the banker to the banks, the RBI should have taken lead and set an example by arranging such training programmes for OBCs . That this was not done indicates that RBI is not at all serious towards implementing Government's directives Moreover, the reasons extended by the RBI for not arranging such training programmes for OBC candidates/employees are rather misleading and unjustifiable. Against this backdrop, the Committee recommend that the RBI should start the pre- recruitment/pre- promotion training for OBC candidates/employees without any further delay so as to enable the backward section of the society to join the mainstream.

REPLY OF THE GOVERNMENT

We have since started the pre-recruitment/pre-promotion training for OBC candidates/ employees.

Ministry of Finance (Deptt. of Financial Services)
[Reserve Bank of India] - CO.HRMD. No. 17795/05.57.01/2014-15

Recommendation (Sl. No.5)

Representation of OBCs in Foreign Training Programmes

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

REPLY OF THE GOVERNMENT

Bank generally nominates Senior Officers in Foreign Training Programme. Further, the reservations for OBC has been introduced in Bank from September 8, 1993. Thus, the Senior Officers belonging to OBC category are less in number in the total strength of senior officers in the Bank. It may be appreciated that whenever the senior officers are to be deputed on foreign training programmes, conscious efforts are made to depute Senior Officers belonging to OBC for foreign training programmes.

However, Government of India's instructions are noted for future implementation.

Ministry of Finance (Deptt. of Financial Services)

[Reserve Bank of India] - CO.HRMD. No. 17795/05.57.01/2014-15

CHAPTER III

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

-NIL-

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.6)

Financial support to OBCs

The Committee note that as part of the Government's overall priority sector lending, credit support is extended to the weaker sections of the society. The Reserve Bank of India monitors the flow of credit under poverty alleviation and employment generation programmes of Central Government which are implemented through credit linkage with banks and subsidy allocations through the concerned Ministry's budgetary allocations. The Committee also find that the credit extended to the beneficiaries under Government sponsored schemes like National Rural Livelihood Mission (NRLM) under the Ministry of Rural Development and Swarna Jayanti Shahari Rozgar Yojana (SJSRY) under the Ministry of Housing and Urban Poverty Alleviation are treated as credit to weaker sections of the society. The Committee are, however, unhappy to note that certain reservations /concessions available under these Central Government Sponsored Schemes are applicable to SC/ST beneficiaries only and these reservations /concessions are not available to OBCs at present. Further, according to the Reserve Bank of India, there are no specific instructions from the Government of India for financial support to the OBCs through commercial banks. The Committee take a very strong view of the discrimination being meted out to OBCs and wonder as to how the interests of OBCs in vital areas like financial support through commercial banks and credit support through various Government Sponsored Schemes are being set aside by the Government of India which is under Constitutional obligation to promote all weaker sections of society including OBCs by guaranteeing to them social, economic and political justice. The Committee recommends that the Reserve Bank of India and the Deptt of Financial Services should take initiative to include reservations / concessions being extended to SCs/STs to the persons belonging to OBC community also in all the Central/State Government sponsored Schemes / Programmes and also to extend financial support in the form of loans at concessional rates to the students and entrepreneurs of OBC community in order to enable them to become self-Dependent and to enhance their self-

esteem. The Committee would like to be apprised of the action taken in this regard.

REPLY OF THE GOVERNMENT

We refer to this Department OM No.19/01/2014 - Welfare dated 21.02.2014 on the above mentioned subject and to say that as per extent guidelines of Reserve Bank of India (RBI) on Priority Sector Lending (PSL), all Scheduled Commercial Banks (SCBs) including Public & Private Sector Banks are required to earmark 10% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure, whichever is higher, for Weaker Sections, which inter-alia include:

- (m) Small and Marginal farmers;
- (n) Artisan's, village and cottage industries where individual credit limits do not exceed Rs.50,000/-
- (o) Beneficiaries of Swarna Jayanti Gram Swarozgar Yojana (SGSY), now National Rural Livelihood Mission (NRLM);
- (p) Scheduled Castes and Scheduled Tribes.
- (q) Beneficiaries of Differential Rate of Interest (DRI) Scheme
- (r) Beneficiaries of Swarna Jayanti Shahari Rozgar Yojana (SGSRY)
- (s) Beneficiaries under the Scheme for Rehabilitation of Manual Scavenger (SRMS)
- (t) Loans to Self Help Groups;
- (u) Loans to distressed farmers indebted to non-institutional lenders;
- (v) Loans to distressed persons other than farmers not exceeding Rs.50,000/- per borrower to prepay their debt to non-institutional Lenders;
- (w) Loans to individual women beneficiaries up to Rs.50,000/- per borrower.
- (x) Loans sanctioned under (a) to (k) above to persons from minority communities as may be notified by Government of India from time to time.

From the above list it may be observed that OBC community would have got covered to a great extent under one or the other category. However, no separate target/reservation is stipulated for OBC Community.

Ministry of Finance (Deptt. of Financial Services)
[Reserve Bank of India] - CO.HRMD. No. 17795/05.57.01/2014-15

COMMENTS OF THE COMMITTEE

(Please see Para No. 13 of Chapter – I of the Report)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation (Sl. No.1)

1. Representation of OBCs on the Board of Directors

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

REPLY OF THE GOVERNMENT

We refer to Lok Sabha Secretariat's O.M.No.21/2/1/OBC/2013-14 dated 10.02.2014 on the above mentioned subject. Since the appointment of NoDs on the Public Sector Banks is not an isolated case as NoDs are appointed by the ACC on the Boards of various Public Sector Undertakings. Department of Financial Services recommends the names of NoDs to the ACC for approval on the basis of guidelines prescribed by the ACC. Since the introduction of reservation policy in nomination of NoDs would be an issue touching all PSUs including PSBs, therefore, views / comments of ACC wing have been obtained from DoPT, which are as under:

"As per existing policy, there is no specific reservation for SC/ST/OBCs has been provided in the ACC approved guidelines for the appointment of Functional Director/Non-official Director in the Bank and Public Sector Undertakings. The guidelines as approved by the ACC and as amended from time-to-time do not provide any reservation for SCs and STs and OBCs but stipulate that as far as possible representation may also be given to women and person belonging to SCs and STs Community. These instructions have been incorporated in the guidelines on the basis of general policy laid down by Reservation Division of DoP&T."

In view of the advice of ACC Wing of DoP&T, the matter is being referred to Reservation Division of DoP&T for advice / comments. A final reply will be sent after receipt of views / comments from Reservation Division.

Ministry of Finance (Deptt. of Financial Services)
[Reserve Bank of India] - CO.HRMD. No. 17795/05.57.01/2014-15

NEW DELHI;
27th January, 2015
Magha 7, 1936 (Saka)

RAJEN GOHAIN,
Chairperson,
COMMITTEE ON WELFARE OF OBCs.

COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES (2014-15)

**MINUTES OF THE FIFTH SITTING OF THE COMMITTEE ON WELFARE OF
OTHER BACKWARD CLASSES (2014-15) HELD ON 27TH JANUARY, 2015 IN
COMMITTEE ROOM G-074, PARLIAMENT LIBRARY BUILDING, NEW DELHI.**

The Committee sat from 1500 hrs. to 1600 hrs.

PRESENT

Shri Rajen Gohain — *Chairperson*

MEMBERS

Lok Sabha

2. Shri Bijoy Chandra Barman
3. Dr. Subhash Bhamre
4. Dr. Boora Narsaiah Goud
5. Shri Ram Mohan Naidu Kinjarapu
6. Dr. (Smt.) Pritam Gopinath Munde
7. Shri Rodmal Nagar
8. Smt. Anupriya Patel
9. Shri Mullappally Ramachandran
10. Shri Rajeev Satav
11. Dr. Nepal Singh
12. Shri Akshay Yadav

Rajya Sabha

13. Shri Narendra Kumar Kashyap
14. Shri V. Hanumantha Rao
15. Shri Ashk Ali Tak
16. Shri Ram Nath Thakur
17. Shri Shankarbhai N. Vegad

SECRETARIAT

- | | | |
|----------------------|---|---------------------|
| 1. Smt. Anita Jain | - | Joint Secretary |
| 2. Shri J.V.G. Reddy | - | Director |
| 3. Shri R.R. Kumar | - | Additional Director |
| 4. Shri A.S.K. Das | - | Deputy Secretary |

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2. At the outset, the Chairperson welcomed the Members of the Committee. The Committee thereafter considered the draft Report on action taken by the Government on the recommendations contained in the Fourth Report (Fifteenth Lok Sabha) of the Committee on "Reservation in employment and welfare measures for OBCs in the Reserve Bank of India". After some discussion, the Committee adopted the draft Report without any modification. The Committee also authorised the Chairperson to finalise the Report and present the same to the Parliament.

3. XXXX XXXX XXXX XXXX XXXX XXXX

4. XXXX XXXX XXXX XXXX XXXX XXXX

5. A verbatim record of the proceedings of the sitting has been kept.

XXXX XXXX XXXX

The Committee then adjourned.

APPENDIX II

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS / OBSERVATIONS OF THE COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES CONTAINED IN THEIR FOURTH REPORT (FIFTEENTH LOK SABHA)

(i)	Total No. of Recommendations/Observations	6
(ii)	Recommendations/Observations of the Committee which have been accepted by the Government:	
	Recommendation Nos. 2, 3, 4 and 5	Total : 4 Percentage – 66.66%
(iii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies received the Government:	
	- Nil -	Total : 0 Percentage- 0%
(iv)	Recommendations/Observations in respect of which the Committee replies of the Government have not been accepted by the Committee and which require reiteration:	
	Recommendation No. 6	Total : 1 Percentage – 16.66%
(v)	Recommendations/Observations in respect of which the Government have furnished interim replies:	
	Recommendation No. 1	Total : 1 Percentage – 16.66%