

>

Title: Need to withdraw the order to invest the surplus funds in banks of Public Sector Undertakings.

SHRI RUDRAMADHAB RAY (KANDHAMAL): The Paradeep Port Trust and Public Sector Undertakings like National Aluminium Company Ltd.(NALCO), Mahanadi Coalfields Ltd., Bharat Petroleum Corporation Ltd., Indian Oil Ltd., have declined to invest their surplus funds with the Odisha State Cooperative Bank and its affiliated District Central Cooperative Bank because of the restrictive directive issued by the Government of India to keep the funds only in the nationalized banks. In this connection, it may be mentioned here that Odisha State Cooperative Bank is a scheduled Bank under the Reserve Bank of India Act, 1934 and enjoys a similar status at par with the nationalized banks. Besides, the bank has been one of the most successful organizations in the cooperative sector and making profits since its inception in 1948. Keeping in view the track record of the bank in various financial parameters and its contribution to dispense 70 per cent of the total crop loans in advance to the States, the prohibitory orders for the PSUs not to invest the surplus funds in the bank should be lifted.

Besides, the oil sector PSUs are not accepting the negotiable instruments like cheques and drafts issued by the customers for which the dealers of the petroleum companies have been withdrawing their relationship with the cooperative banks. When the Government is attaching utmost importance to the rural sector of the economy and have announced doubling the flow of agricultural credit within three years, the differential treatment mooted by the Government Departments and the PSUs should be dispensed with by issue of orders by the concerned Government Departments.