

**COMMITTEE ON THE WELFARE
OF SCHEDULED CASTES AND
SCHEDULED TRIBES
(1988-89)**

(EIGHTH LOK SABHA)

FORTY-FIFTH REPORT

MINISTRY OF FINANCE

(DEPARTMENT OF ECONOMIC AFFAIRS—BANKING DIVISION)

Action taken by Government on the recommendations contained in the Thirty-Sixth Report (Eighth Lok Sabha) on the Ministry of Finance (Department of Economic Affairs—Banking Division)—Reservations for and employment of Scheduled Castes and Scheduled Tribes in Bank of Baroda and credit facilities provided by the Bank to Scheduled Castes and Scheduled Tribes.



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Laid in Rajya Sabha on _____

**LOK SABHA SECRETARIAT
NEW DELHI**

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CORRIGENDA
TO THE
45TH REPORT OF THE COMMITTEE ON THE
WELFARE OF SCs/STs (1983-89).

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**COMMITTEE ON THE WELFARE OF SCHEDULED
CASTES AND SCHEDULED TRIBES
(1988—89)**

Shri Arvind Netam—Chairman

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2. Shri D. M. Chanan—*Deputy Secretary*
3. Shri R. K. Chatterjee—*Officer on Special Duty*

* Ceased to be a Member of the Committee on his resignation from Rajya Sabha w.e.f. 9 August, 1988.

INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to submit the Report on their behalf, present this Forty-fifth Report (Eighth Lok Sabha) on action taken by Government on the recommendations contained in the Thirty-sixth Report (Eighth Lok Sabha) on the Ministry of Finance (Department of Economic Affairs—Banking Division)—Reservations for and employment of Scheduled Castes and Scheduled Tribes in Bank of Baroda and credit facilities provided by the Bank to Scheduled Castes and Scheduled Tribes.

2. The Report was considered and adopted by the Committee on 25 January, 1989.

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

- (i) Report.
- (ii) Recommendations/Observations which have been accepted by Government.
- (iii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies.
- (iv) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.
- (v) Recommendations/Observations in respect of which final replies of Government have not been received.

4. An analysis of the action taken by Government on the recommendations contained in the 36th Report of the Committee is given in the Annexure. It would be observed therefrom that out of 63 recommendations made in the Report, 44 recommendations *i.e.* 69.84 per cent have been accepted by Government ; the Committee do not desire to pursue 9 recommendations *i.e.* 14.28 per cent of their recommendations

in view of Government's replies ; 5 recommendations *i.e.* 7.94 per cent in respect of which replies of the Government have not been accepted by the Committee, require reiteration and in respect of 5 recommendations *i.e.* 7.94 per cent, final replies of Government have not been received.

NEW DELHI;

February, 1989

Phalguna, 1910 (S)

ARVIND NETAM

Chairman,

*Committee on the Welfare of
Scheduled Castes and
Scheduled Tribes*

CHAPTER I

REPORT

This Report of the Committee deals with the action taken by Government on the recommendations contained in Thirty-sixth Report (Eighth Lok Sabha) on the Ministry of Finance (Department of Economic Affairs—Banking Division)—Reservations for and employment of Scheduled Castes and Scheduled Tribes in Bank of Baroda and credit facilities provided by the Bank to Scheduled Castes and Scheduled Tribes.

1.2 In para 3.44 of their Thirty-sixth Report the Committee having noted that “according to existing directions of the Department of Personnel an SC/ST candidate may be appointed initially on the basis of whatever *prima-facie* proof he is able to produce in support of his caste claim subject to his furnishing the prescribed certificate within a reasonable time”, “recommended that subsequent to the appointment, the recruitee might be asked to furnish his caste certificate from the authorised authority within six months of the recruitment on a form which might be devised by the Banks. The certificate when received should be carefully examined to ensure that the caste mentioned therein was really an SC/ST in the respective State and any doubt raised should be got clarified by referring the matter to the concerned District Magistrate. Where necessary, legal opinion might also be taken at that very stage so that no complications could arise later on if the certificate was found to be unacceptable. This procedure in the opinion of the Committee, would automatically curb the menace of the submission of false caste certificates.

1.3 In their reply dated 26 August, 1988 the Ministry of Finance (Department of Economic Affairs—Banking Division) have stated that the format of the caste certificate for SC/ST has already been prescribed by the Department of Personnel & Training and incorporated in the Brochure on Reservation for SC & ST in Services. This format is uniformly applicable to all, and the State Governments issue the certificate in this format. Therefore, it is not possible to devise a different format of Caste Certificate for the Banks. All SC/ST candidates joining service in the public sector Banks are required to produce original Caste Certificates for verifications by the Appointing Authority. Banks have

been advised to refer to concerned district authorities for verification of Caste/Tribe Certificates in cases of doubts. These measures are considered sufficient deterrent to persons against producing false Caste Certificates for the purpose of obtaining employment in the Public Sector Banks.

1.4. The Committee do not find the reply of the Ministry as convincing and will like to reiterate their earlier recommendation that "the recruitee may be asked to furnish his caste certificate from the authorised authority within six months of the recruitment on a form which may be devised by the Banks. The certificate when received should be carefully examined to ensure that the caste mentioned therein is really an SC/ST in the respective state and any doubt raised should be got clarified by referring the matter to the concerned District Magistrate. Wherever necessary, legal opinion may also be taken at that very stage so that no complications arise later on if the certificate is found to be un-acceptable. This, in the opinion of the Committee, will automatically curb the menace of submission of false caste certificates."

1.5 In para 5.32 of their Report the Committee having considered that the ceiling of Rs. 5000/- as loan under the SEPUP was too low and keeping in view the continuous increase in prices recommended for suitable enhancement of the ceiling.

1.6 In their reply dated 26 August, 1988 the Ministry of Finance (Deptt. of Economic Affairs—Banking Division) have stated that the SEPUP Scheme was introduced only about three years back and it was too early to carry out any revision at this stage.

1.7 The Committee do not agree with the plea of the Ministry that SEPUP Scheme was introduced only about three years back and it was too early to carry out any revision at this stage. The Committee, therefore, reiterate their earlier recommendation that 'the ceiling of Rs. 5000/- as loan under the SEPUP is too low keeping in view the continuous increase in prices and should be enhanced'.

1.8 In para 5.43 of their Reports, the Committee felt that since more than 10 years had intervened since the norm regarding deployment of 7 per cent of the previous years total advances of the banks towards DRI was fixed in November, 1978. The matter required a fresh look so that the norm was suitably upgraded in view of the changing social conditions in the country. They recommended that such an exercise should be undertaken by the Ministry of Finance at the earliest and its outcome communicated to the Committee.

1.9 In their reply dated 26 August, 1988 the Ministry of Finance (Deptt. of Economic Affairs—Banking Division) have stated that the Task Force on DRI Scheme constituted by the Government reviewed the whole scheme of DRI in all its perspectives and submitted its report in March, 1985 and Government was of the view that no further revision was necessary at that stage.

1.10 In the opinion of the Committee the reply of the Government that the Task Force on DRI Scheme constituted by the Government reviewed the whole scheme of DRI in all its perspectives and submitted its report in March, 1985 and Government is of the view that no further revision is necessary at this stage is not satisfactory. The Committee reiterate their earlier recommendation and desire that 'deployment of 1 per cent of the previous years total advances of the Bank towards DRI should be suitably upgraded in view of the changing social conditions in that country'.

1.11 In para 5.54 of their Report the Committee expressed the view that the present norm of the eligibility of family income under DRI Scheme of Rs. 7,200 and Rs. 6,400 per annum in the towns and villages respectively for getting loans also required upward revision. They recommended that along with the examination of the need for enhancement of the loan limit under the scheme the norm of family income should also be reviewed by the Ministry and suitably upgraded. They desired submission of a report in this regard at the earliest.

1.12 In their reply dated 26 August, 1988 the Ministry of Finance (Deptt. of Economic Affairs—Banking Division) have stated that the Task Force on DRI Scheme constituted by the Government reviewed the whole scheme of DRI in all its perspectives and submitted its report in March, 1985 and Government was of the view that no further revision was necessary at that stage.

1.13 The Committee are not convinced with the plea of the Ministry that the 'Task Force on DRI Scheme constituted by the Government reviewed the whole scheme of DRI in all its perspectives and submitted its report in March, 1985 and Government is of the view that no further revision is necessary at this stage' and reiterate their earlier recommendation 'that along with the examination of the need for enhancement of the loan limit under the scheme the norm of family income should also be reviewed by the Ministry and suitably upgraded. A report in this regard may be submitted to the Committee at the earliest'.

1.14 In para 5.77 of their report, the Committee recommended that the decision on the raising of the ceiling on the loans to Scheduled Castes/Scheduled Tribes for construction of housing should be expedited by the Ministry of Finance as assured by the Finance Secretary during evidence and if possible, it should be raised to Rs. 7500/-. The Committee desired to be apprised of the decision taken in the matter.

1.15 In their reply dated 26 August, 1988 the Ministry of Finance (Deptt. of Economic Affairs-Banking Division) have stated that the matter has been re-examined in consultation with Reserve Bank of India. It was felt that keeping in view the cost of raising deposits and other social objectives entrusted to the Banks, it was not feasible to enhance the maximum amount of housing loan to SC/ST beneficiaries at 4% per annum from Rs. 5,000/- to Rs. 7,500/-. However, from the following table, it will be seen that the flow of bank credit to SCs/STs for housing purpose has increased both accountwise and amountwise.

(Amount in Rs. crores)

<i>Year ended</i>	<i>No. of accounts</i>	<i>Balance out standing</i>
December 1984	88265	20.55
December 1985	91933	28.90
December 1986	114505	43.37
June 1987	139298	58.98

1.16 The Committee are not satisfied with the reply of the Government that keeping in view the cost of raising deposits and other social objectives entrusted to the Banks, it was not feasible to enhance the maximum amount of housing loan to SC/ST beneficiaries at 4% per annum from Rs. 5,000/- to Rs. 7,500/- and reiterate their earlier recommendation that the maximum amount of housing loan to SC/ST beneficiaries at 4% per annum should be raised to Rs. 7500/.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1, Para 1.8)

The Committee regret to note that at the time of their examination the Board of Directors of the Bank of Baroda was composed of only four Directors out of a maximum number of 15 Directors. The Committee are surprised to find that the number of vacancies on the Board of Directors of the Bank are almost three-fourth of the maximum number of 15 Directors and these have been existing for over two years. If a Bank can function efficiently and profitably with only four Directors against the maximum limit of 15 Directors, Government will be well advised to review the real requirement of number of Directors on each Bank, reduce the limit and thereby make a saving in the expenditure on the Board of Directors. However, if the limit of 15 is really necessary for efficient functioning and policy evolution for the Bank, the delay caused in filling such a large number of vacancies is deplorable to say the least. The Committee have been informed that of late Government is trying to finalise the list more keenly and decision is likely to be taken early. The Committee will like to be informed of the action taken in this regard and the date on which the vacancies are actually filled. The Committee recommend that while appointing more Directors on the Board of Directors of the Bank, Government should ensure that at least one of the Directors to be appointed belongs to SCs/STs as assured by the representative of the Ministry of Finance (Department of Economic Affairs—Banking Division).

Reply of the Government

Government have noted the observations of the Committee. It is reiterated that at the time of nomination of non-official Directors of the Boards of Nationalised Banks, it will be Government's endeavour to appoint at least one person belonging to SC/ST on each Board.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) dated 26-08-1988.]

Comments of the Committee

The Committee will like to be apprised of the date of filling the vacancies on the Board of Directors of the Bank of Baroda and the name of SC/ST Director appointed thereon.

Recommendation (Sl. No. 2, Para 1.13)

The Committee regret to not that over the years the staff strength of the SC/ST Cell in the Banking Division has not been strengthened adequately to enable it to discharge its functions efficiently and promptly as recommended by the Committee time and again. The Committee recommend that the Ministry take up the matter with the Study Unit suitably to get their recommendations expedited and augment the staff strength of the Cell within a period of three months.

Reply of the Government

The Staff strength of the SC/ST Cell has since been increased by internal adjustment with the posting of one Assistant and one LDC, pending final sanction of additional staff by the Internal Work Study Unit (IWSU).

[Ministry of Finance (Department of Economic Affairs—Banking, Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 4, Para 1.30)

The Committee are happy to note that the Ministry of Finance have made some relaxations in the policy guidelines laid down by the Department of Personnel in the matters like educational qualifications for requirement of Scheduled Castes and Scheduled Tribes. The Committee also note that a compendium of guidelines relating to orders applicable and relaxations made in respect of Scheduled Castes and Scheduled Tribes in the service of Banks was in the process of compilation. The Committee recommend that the compendium may be got vetted by the Indian Banks Association and printed by the Ministry of Finance at the earliest. In their opinion such a publication will attract more and more Scheduled Castes/Scheduled Tribes candidates in seeking employment in the Banks and will consequently help in the clearance of backlogs in reserved vacancies in

addition to ensuring an improved implementation of reservation orders by the Banks.

Reply of the Government

The compendium of guidelines is under print and is expected to be circulated shortly.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 6. Para 2.11)

The Committee note that Liaison Officers have been appointed at the Head Office and all the Zonal Offices of the Bank to look after the implementation of the reservation orders. However, for the time being Zonal Liaison Officers are not working independently. The Committee recommend that the process of reorganisation as assured by the Chairman of the Bank during evidence be expedited so that these Liaison Officers start working independently.

Reply of the Government

The Bank has noted the recommendation of the Committee and has advised all Liaison Officers functioning at various Zonal Offices to report to the Chief Liaison Officer at the Head Office directly under intimation to the Zonal Authority.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88 SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 7, Para 2.12)

The Committee note that the staff strength of the Zonal SC/ST Cells is too inadequate as compared to the number of persons they have to deal with. The Committee recommend that the staff strength of these Cells may be augmented as early as possible as assured by the Chairman of the Bank during evidence to make them discharge their duties efficiently and effectively.

Reply of the Government

The recommendation of the Committee has been noted by the Bank for Compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) dated 26-08-1988]

Recommendation (Sl. No. 8, Para 2.16)

The Committee note that prior to October, 1987 the Board of Director of the Bank of Baroda used to review the implementation of the reservation orders in the Bank on half-yearly basis. However, at the behest of Ministry of Finance they have started doing it on yearly basis. The Committee can understand the sending of the returns showing the details of number of posts carried forward etc. in the matter of recruitment and promotions to the Ministry of Finance once a year. However, they do not find anything wrong with the review being made by the Board of Directors of Bank after every six months even though based on unclosed rosters to nip any aberration in the filling of the vacancies reserved for SCs/STs in the bud. The Committee recommend that the Board of its own should continue to review the position on half-yearly basis.

Reply of the Government

The recommendation of the Committee has been noted by the Bank for Compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 9, Para 2.17)

The Committee recommend that the new format of the review may be devised early by the Ministry of Finance so that all relevant information on points of importance is furnished and it is easy to identify and highlight the weaknesses in the implementation of reservation orders in the reviews as mentioned by the representative of the Ministry of Finance during evidence.

Reply of the Government

A format for review report on the implementation of Reservation Policy has been devised and circulated to the Public Sector Banks on 29-01-1988 (ANFEXURE 1).

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 10 Para 3.5)

The Committee recommend that the Bank of Baroda should hold special recruitments exclusively for Scheduled Castes/Scheduled Tribes

to wipe out the backlog in reserved vacancies as assured by the Chairman of the Bank during evidence.

The Committee recommend that a gist of reasons for rejection of candidates sponsored by Employment Exchanges should always be communicated to them to enable the Exchanges to sponsor right type of candidates in subsequent recruitments as provided in Government Orders. However, specific reasons for not selecting a particular candidate need not be so conveyed if it harms the interest of the candidates for being sponsored for some other similar job in future.

Reply of the Government

Bank of Baroda has reported that it has requested the Banking Service Recruitment Boards to hold special recruitment test in the year 1988 exclusively for SC and ST to reduce the backlog in reserved vacancies. Besides, the Banks have already been advised by Government vide this Division's letter No. 5/10/87-SCT (B) dated 14th July, 1987 (ANNEXURE 2) to convey the reasons for rejection of the SC/ST candidates sponsored to them by the Employment Exchanges so that they could sponsor the right type of candidates belonging to these communities.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-8-1988.]

Recommendation (Sl. No. 11, Para 3.6)

The Committee have been informed that the Head Office of the Bank of Baroda has circulated the instructions regarding circulation of the requirements of sub-staff to the Scheduled Castes/Scheduled Tribes Associations of the area and that the list of such associations has also been circulated the Zonal Offices for compliance. The Committee recommend that from now onwards the practice of notifying the vacancies to the Scheduled Caste/Scheduled Tribe Associations in all recruitments be followed scrupulously by the Bank of Baroda.

Reply of the Government

The recommendation has been noted for compliance by the Bank.
[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl No. 12, Para 3.9)

From the statement of the Chairman of the Bank of Baroda it appears that prior to the taking up of the examination of the Bank by the Committee the selection Committees/Boards of the Bank did not have any officer belonging to Scheduled Castes and Scheduled Tribes. The Committee recommend that Scheduled Caste/Scheduled Tribe Officers should invariably be included in the Selection Committees/Boards as assured by the Chairman of the Bank during evidence. In case a suitable Scheduled Caste/Scheduled Tribe Officer is not available in any Zonal Office of the Bank, a Scheduled Caste/Scheduled Tribe Officer from any other bank or any Government Undertaking may be associated with Selection Committees/Boards.

Reply of the Government

The recommendation of the Committee has been noted by the Bank for compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 13, Para 3.13)

The Committee recommend that all interview calls and appointment letters be issued by the Bank of Baroda by Registered Post to SC/ST candidates to ensure their timely delivery. Simultaneously a copy thereof should also be sent by ordinary post so that in case registered letter was delayed, atleast the letter sent by ordinary post reaches in time.

Reply of the Government

The recommendation of the Committee has been noted by the Bank for compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 14, Para No. 3.14)

The Committee also recommend that request from SC/ST candidates for extension of time for joining service in the Bank may invariably be considered sympathetically by the authorities. In their opinion firm guidelines should be laid down by the Bank in this regard instead of leaving the matter to the subjective discretion of an individual officer of howsoever high rank may be.

Reply of the Government

The Banks have already been advised *vide* letter No. 5/13/86-SCT (B) dated 04-02-1987 (ANNEXURE-3) to consider sympathetically all requests from SC/ST candidates for extension of time to enable them to join service. It has also been laid down that such requests shall not be rejected at a level lower than that of the General Manager.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 16, Para 3. 21)

The Committee recommend that an SC/ST Officer of a rank comparable to the rank of other members should always be appointed at the Interview Panels for promotions from clerical to officer cadre in the Bank. If an Officer of such a rank was not available in the Bank at any stage, the bank should nominate such an officer from any other Bank/Public Undertaking on the Interview Panel.

Reply of the Government

Efforts will be made to include in the Selection Committee/DPC an SC/ST Officer of comparable rank in the Bank, failing which SC/ST Officer, who is one rank higher than the one for which the DPC/Selection Committee recruitment has been constituted will be associated as per the judgement of Supreme Court.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 17 Para, 3.26)

The Committee have been informed that there have been errors in the maintenance of rosters for recruitment to clerical and sub-staff cadres maintained at the Zonal Offices of the Bank. The Committee feel that this is due to lack of proper training to the staff responsible for maintenance of rosters. The Committee recommend that the Bank should take measures to give intensive and exhaustive training to the staff working in the SC/ST Cells at the Zonal Offices to obviate the possibility of errors creeping into the maintenance of rosters which affects the interests of SCs/STs in recruitments and promotions,

Reply of the Government

The recommendation of the Committee has been noted by the Bank for compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 18, Para 3.30)

The Committee cannot but express their utter anguish that the procedure laid down in the Government directives for dereservation of reserved posts has not been followed in the Bank of Baroda till the Committee took up the examination of the Bank in 1987. In their opinion there cannot be a worst dereliction of duty and responsibility for this should be fixed. The Committee recommend that the Bank should follow the Government directions in regard to reservations in all respects and aspects scrupulously so that SCs/STs get their due in reservations.

Reply of the Government

The recommendation of the Committee has been noted by the Bank for compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 19, Para 3.33)

The Committee note that a large number of reserve vacancies were allowed to lapse during 1985 and 1986 in clerical cadre. The explanation given is a clear attempt made by the Bank authorities to hoodwink the Committee. They have been told earlier during the evidence that the instructions to place the position regarding filling up of reserve vacancies before the Board once a year were issued by the Ministry of Finance in October, 1987. The position regarding lapsing of a large number of vacancies were duly placed before the Board of Directors several times but to the utter dismay of the Committee, the Board which is duly represented by the officials of the Ministry of Finance failed in its duty to give proper guidance in the matter.

The Committee feel that it is a fit case for a thorough look into the matter and to fix responsibility. The Committee will await the outcome of the probe.

Reply of the Government

The Bank has reported that its Board of Directors had reviewed the performance of the Bank in the matter of implementation of reservation orders for SC/ST with due diligence and in seriousness and in respect of the review for the year 1984 placed before the Board on 11-07-1985, it had observed as under :—

- (1) Henceforth backlog in vacancies reserved for SC/ST be furnished for last—3—years in the said note, instead of giving backlog of only the year under review.
- (2) Alongside the figures of actual recruitment of SC/ST candidates, figures of vacancies reserved for them be also given, to have a comparative study.
- (3) Special recruitment exercises exclusively for SC/ST candidates be initiated by the Bank to clear the backlog, as and when necessary.

Directions given at (1) and (2) above have been implemented by the Bank. Special recruitment exercise however, could not be conducted on account of the economy instructions of the Govt. and the Banks' decision in 1986 to curtail the indents placed with BSRBs for recruitment of clerical staff.

However, in the indents placed thereafter with Banking Service Recruitment Boards, the Bank did indent upon the extent of 50% of the indent for SC and ST depending upon the backlog.

In the year 1988, Banking Service Recruitment Boards have been requested to hold special recruitment test wherever necessary and they have also been requested to provide SC/ST candidates to the extent of 50% of the vacancies, the maximum extent permissible for reservation.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 20 Para 3. 38)

The Committee have been informed that it takes 2 to 3 months to dispose of a complaint/representation received from an SC/ST employee of the Bank. The Committee feel there is a scope for the curtailment of the time taken for disposal of these complaints and

grievances. They recommend that the matter may be reviewed by the Bank and a suitable procedure devised for quick disposal of such complaints/representations. The Committee will like to be apprised of the steps taken by the Bank in this direction.

The Committee desire to emphasise that each complaint or representation received from SC/ST employees should invariably be entered in a central register and some senior officer should go through entries made in the register to ensure that timely action is taken thereon.

Reply of the Government

The Bank has reported that it is working out a comprehensive procedure to ensure that individual complaints are disposed off within 30 days and other complaints involving Policy matter within 60 days.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 22, Para No. 3.49)

The Committee note that out of 84 officers given foreign postings only two belong to SCs/STs which in their opinion is far too less. The Committee recommend that there should be a good sprinkling of SC/ST Officers among those given foreign postings. This will not only broaden their outlook but will also enable them to acquaint themselves with the work culture and the bank procedures of foreign countries which in the final analysis will be to the benefit of the Bank of Baroda itself. The Committee are happy to note that officers which include SCs/STs are being provided special training by the Bank to equip them to handle work which calls for highly specialised skill during the foreign posting.

Reply of the Government

The Bank has noted the recommendation of the Committee.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 25, Para No. 4.15)

The Committee cannot but express their anguish that for nearly one and a half decades while placing the indents with the BSRBs for

recruitment of officers and clerks, the Bank of Baroda did not take into account the backlog position of vacancies. They find it all more regrettable because the representative of the Ministry of Finance was present in all the half-yearly meetings of the Bank when the position regarding filling up of reserved vacancies was reviewed. They are not convinced by the plea of the Ministry of Finance that necessary instructions have been issued by the Banking Division in the Ministry of Finance wherein it has been stipulated that there should be a consolidated indent. The Committee feel that all along the Ministry presumed that in the annual returns forwarded to them the backlog of all vacancies had been taken care of by the Bank without ascertaining whether this had actually been done. The Ministry ought to have checked up whether their instructions were complied with or not through their own independent mechanism. The Committee, recommend that the Ministry should devise ways and means to check that all instructions issued by them are complied with by the Banks.

Reply of the Government

The Banks have since been advised to invariably take into account the backlog position of reserved vacancies alongwith current reservation while placing indents on the Banking Service Recruitment Boards. The Chairman & Managing Directors have also been advised in July 1987 to certify to the Banking Service Recruitment Boards that the indents placed by their Banks on them include not only current reservations but also the backlog to the full extent subject to the condition that total reservations do not exceed 50% of the vacancies in a year. Now, pro-formae for placing of indents have also been devised and circulated to all Banks. It is also being arranged to ensure that at least one Bank is inspected by the officers of this Deptt in a quarter. It is expected that with these measures short-comings like the one pointed out by the Committee will be avoided.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (SI No. 26, Para 4.19)

The Committee note that against the indent placed in 1985, the BSRB, Baroda forwarded the list of selected 50 Scheduled Castes and 25 Scheduled Tribes candidates to Bank of Baroda in December, 1986 and till September, 1987 i.e. for about nine months no Scheduled Caste/Scheduled Tribe candidate has been given appointment by the Bank.

The reason for this inordinate delay has been stated to be lack of knowledge of the exact requirement of candidates on the part of the Bank. According to the Ministry of Finance, the banks are projecting their strength on the basis of the projected business based on norms in relation the deposit etc. or the advances which is really not a rational basis and keeping this in view the Reserve Bank of India has laid down that even though the examinations for recruitment have been held the appointments can be given only after the banks process their real requirement with the result that delay is likely to intervene between the holding of examination and giving of the appointment to the selected candidates. The Committee recommend that instead of basing their requirement on hypothetical or imaginary basis, the banks should make a realistic assessment of their requirements and only thereafter place the indents with the BSRBs so that wasteful expenditure and unnecessary inconveniences are avoided.

Reply of the Government

The recommendation of the Committee has been accepted and all Public Sector Banks/Financial Institutions have since been suitably advised *vide* Banking Division letter No. 9/1/10/88-IR dated 13-06-1988 (ANNEXURE—4).

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988.]

Recommendation (Sl. No. 27, Para 4.20)

Another reason for delay in issuing of appointment letters put forth by the Bank is that without deciding internal promotions, the appointment letters to the recruits cannot be given with the result that lot of delay occurs in giving appointments to the candidates selected by the BSRB. The Committee recommends the whole exercise regarding the number of persons to be promoted internally and thereafter determining the number of candidates to be taken through direct recruitments should be done by the banks well before the placing of the indents to the BSRBs.

Reply of the Government

The recommendation of the Committee has been accepted and all Public Sector Banks/Financial Institutions have since been suitably advised *vide* Banking Division letter No. 9/1/10/88-IR dated 13-06-1988 (ANNEXURE—4).

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988].

Recommendation (Sl. No. 28 & 29, Para 4.24 & Para 4.25)

The Committee recommend that for all future recruitments where Scheduled Caste/Scheduled Tribe candidates are likely to be recruited, the authorities of the Bank of Baroda should always approach the Director of Social Welfare of the concerned State for getting the required number of suitable Scheduled Caste/Scheduled Tribe candidates so that all the reserved posts are duly filled.

One of the reasons for shortage of Scheduled Tribes in recruitments has been stated to be the non-expansion of Branch network in tribal areas. The Committee recommend that while opening new Branches, the Bank of the Baroda should give some preference to tribal areas so that more employment opportunities are available to the Scheduled Tribes of those areas.

Reply of the Government

The recommendation of the Committee has been noted by Bank of Baroda. It has since suitably advised all its Zonal/Regional Authorities in the matter.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 30, Para 4.28)

The Committee have been informed that in addition to the steps already taken, the authorities of the Bank of Baroda propose to initiate some more steps to improve the representation of Scheduled Castes and Scheduled Tribes in the services of the Bank. The Committee recommend that the proposed measures should be taken without any loss of time that the backlog of Scheduled Castes and Scheduled Tribes in services in the Bank is wiped out early.

Reply of the Government

The recommendation of the Committee has been noted by the Bank of Baroda for compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 31, Para 4.31)

The Committee regret that in view of economy instructions the staff in the clerical cadre of the Bank were denied promotions in 1986 on the ground that this would have left gaps *vis-a-vis* requirements in the feeder cadre. The Committee are of the firm view that promotions should be given to the employees whenever there are vacancies in the higher cadre and for which eligible candidates are available in the feeder cadres.

The Committee recommend that unconvincing grounds like gaps *vis-a-vis* requirement in feeder cadre should not deter the Bank authorities to give due promotions to the staff in future.

Reply of the Government

The recommendation of the Committee has been accepted and the Public Sector Banks/Financial Institutions have been suitably advised vide Banking Division letter No. 9/1/10/88-IR dated 13-06-1988 Annexure—4).

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 32, Para 4.40)

The Committee regret to note that the Bank of Baroda has not conducted any special recruitment confined to Scheduled Castes/Scheduled Tribes only so far to wipe out the backlog in the reserved vacancies because no attention to this aspect was paid by the Bank authorities till it was brought to their notice by a Study Group of the Committee in July, 1987 while on tour to Jaipur. The Committee recommend that the Bank should conduct such a special recruitment during the current year as assured by the representative of the Ministry of Finance during the evidence.

Reply of the Government

The Bank has reported that it has noted the recommendations of the Committee and accordingly requested Banking Service Recruitment Board concerned to conduct special recruitment Tests for officers and clerical Cadres for clearing the backlog for SC/ST.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 33, Para No. 4.41)

The Committee regret that Preliminary Material furnished to them by the Bank of Baroda did not reflect the true position about the lifting of the economy ban in 1987 as communicated to it by the Reserve Bank of India. The Committee expect that while furnishing any information to the Parliamentary Committees, the concerned authorities should exercise due caution and care so that the correct factual position is reflected therein.

Reply of the Government

The Bank has reported that it has noted the observation of the Committee for compliance.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 34, Para 4.49)

The Committee recommend that the proposal to impart prerecruitment training to Scheduled Caste/Scheduled Tribe candidates appearing in examinations for the recruitment to the Officers cadre in the Bank as intimated to the Committee may be implemented at the earliest.

Reply of the Government

The Bank has noted the recommendation of the Committee. It has reported that it had conducted 8 such programmes for recruitment to officers' Cadre during the year 1987 alone.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/81-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 35 Para 4.50)

The Committee note that at present there is no mechanism with the Bank to assess the usefulness or otherwise of the pro-pre-recruitment training imparted to Scheduled Caste/Scheduled Tribe candidates for appearing in the examinations conducted by the BSRBs, for recruitment to the clerical cadre. The Committee recommend that a proper system should be evolved to assess the impact and the extent to which the pre-recruitment training has helped the Scheduled Caste/Scheduled Tribe candidates in getting recruited to the clerical cadre as assured by the representative of the Ministry of Finance during evidence. In the light of such assessment further steps could be taken to make the training further result oriented and if need be, to extend its duration.

Reply of the Government

The Parliamentary Committee on the Welfare of SCs and STs in its 24th Report had made a similar recommendation. The recommendation of the Committee was accepted in June, 1987 and the Indian Banks Association was requested to collect and maintain the data in proper format and supply the same to the Government once a year.

The feed back from Indian Banks Association has, however, not yet been received and the IBA has been reminded in the matter.

[Ministry of Finance (Department of Economic Affairs—Banking Division) Om No. 5/3/88-SCT (B) Dated 26-08-1988]

Comments of the Committee

The Committee would like to be apprised of the feedback data received from the Indian Bank Association and action taken thereon.

Recommendation (Sl. No. 36 Para 4.51)

The Committee note that during 1984 to 1987 (i) out of 236 Scheduled Caste/Scheduled Tribe sub-staff workers given training only 89 could get promotion to clerical cadre ; (ii) out of 4122 Scheduled Caste/Scheduled Tribe candidates given training in the clerical cadre only 558 could get promotion to the officers cadre ; (iii) out of 106 Scheduled Caste/Scheduled Tribe Officers given training for promotion from JMGS-I to MMGS-II Grade only 32 could get promotion; and (iv) out of 5 Scheduled Caste/Scheduled Tribe candidates given training from MMGS-II to MMGS-III, only 2 could get promoted. The above figures show that the pre-promotion training given to the SC/ST employees in the Bank has not achieved to the fullest extent the objective and the purpose for which it was initiated because in reality it has helped rather a small number of Scheduled Caste/Scheduled Tribe employees to get promotions. The Committee recommend that the content and the quality of training and its duration should be improved and extended so that it may help the Scheduled Caste/Scheduled Tribe employees in the real sense to get promotions in the Bank.

Reply of the Government

The recommendation of the Committee has been noted by the Bank. It has reported that it has advised the principal of its Staff Training College to examine pre-promotional Training programme for SC/ST

with a view to improving the quality and contents of the programme. He has also been instructed to constitute a task-force, if necessary.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) Dated 26-08-1988]

Recommendation (Sl. No. 37, Para 5.4)

The Committee have been assured during evidence that the staff strength of the credit cell being augmented and put under the charge of a senior officer. The Committee hope that by now the staff strength of the Credit Cell must have been augmented and a senior officer in the rank of Deputy Secretary deputed to look after the matters relating to the welfare of SC/ST employees and the work of the credit cell exclusively as assured by the Finance Secretary during evidence. The Committee will like to be apprised of the latest position in this regard.

Reply of the Government

A separate credit cell for monitoring the flow of credit to persons belonging to Scheduled Castes/Scheduled Tribes categories was set up in the Banking Division (Deptt. of Economic Affairs). This special SC/ST credit cell earlier comprising of an Assistant and one LDC has recently been enlarged with the addition of another clerk as a follow up step to the Parliamentary Committee's suggestion for augmenting the staff strength of this cell. The Cell functions under the Section Officer and Under Secretary in charge of Economic Statistical Analysis Section. A Deputy Secretary is also specially assigned to supervise the work of this Cell continuously as assured by Finance Secretary during the oral evidence. Apart from this at a senior level the Joint Secretary (Priority Sector) in the Banking Division continuously reviews this Cell's work.

[Ministry of Finance, Deptt. of Economic Affairs (Banking Division)
OM No. 5/0/88 STC (B) dated 26/8/88]

Recommendation (Sl. No. 38, Para 5.15)

The Committee note that loans for starting business like LPG agencies and petrol pumps are unduly delayed in the case of SC/ST applicants because of the margin money requirement as prescribed at present by the Ministry of Finance in consultation with the Reserve Bank of India and due to certain other formalities like the total assessment of capital requirement, the feasibility of the project and the capacity of the loanee for repayment. The Committee have been assured by

the Finance Secretary during evidence that the Ministry are looking into the whole question as to how to liberalise the flow of funds to SC/ST persons. The Committee recommend that a decision in the matter may be taken early so that the flow of credit to SC/ST persons is liberalised without any further delay. The Committee would like to be apprised of the decision taken in the matter.

Reply of the Government

It has been continuous endeavour of Govt. to enhance flow of credit to SC/ST. Specific targets have been laid down in various schemes for the benefit of SC/ST. 40% of the total DRI advances are to be given to SC/ST. Under Special Schemes like SEEUY SEPUP & IRDP a specific target of 30 has been provided for th SC/ST beneficiaries. The constant monitoring over the performance of PSBs in this area has resulted in enhanced credit flow to SC/ST.

From the following tables, showing progress made by banks in extension of credit to SC/ST under IRDP/DRI Scheme it will be seen that the share of bank credit to SCs/STs under IRDP and DRI is substantially higher than the stipulated targets viz. 30% set out under IRDP and 40% under the DRI Scheme.

TABLE-I (IRDP) (No. in lakhs)

During the Period	No. of families required to be assisted	No. of families assisted	SC/ST familites assisted	% of 4 to 3
1	2	3	4	5
Vith Plan (1980-85)	150.00	165.62	63.38	38.8
(1985-86)				
(April to March (1986-87)	24.71	30.51	13.23	43.2
(April to March (1987-88)	35.00	37.41	16.82	45.0
(April to Feb)	39.63	32.88	14.25	43.3

TABLE-II (DRI Scheme)

(No. of Accounts in lakhs)
(Amount in Rs. Crores)

As on the last Friday of Dec.	Total DRI advances		DRI Advance to SCs/STs		% of DRI ad- vances to SC/ST to total DRI advances
	No. of	Amonnt	No. of	Amount	
	A/cs	O/S	A/cs	O/S	
1984	42.72	441.38	21.28	224.84	50.9
1985	43.18	462.70	21.62	236.73	51.2
1986	47.97	560.83	23.11	282.01	50.3
1987	48.14	597.65	22.64	295.47	49.4

[Ministry of Finance, Deptt. of Economic Affairs (Banking Division)—
OM No. 5/3/88 SCT (B) dated 26/8/88]

Recommendation (Sl. No. 39, Para 5.16)

The Committee also recommend that as assured by the Finance Secretary during evidence a systematic procedure should be evolved so that the formalities like assessment of the capital requirement, the feasibility of the project and the capacity of the loanee for repayment are completed within a reasonable time and sanction of the loans to SCs/STs are not unduly delayed.

Reply of the Government.

It has been clearly laid down by RBI for PSBs that all applications upto a credit limit of Rs. 25,000/- should be disposed of within a fortnight and those for over Rs. 25,000/- within 8 to 9 weeks. It has been stipulated that branch manager may reject applications (except in respect of SC/ST) provided the cases of rejection are verified subsequently by the Divisional/Regional Managers. In the case of proposals from SC/ST, rejection should be at a level higher than that of a branch manager in every case.

[Ministry of Finance, Deptt. of Economic Affairs (Banking Division)—
OM No. 5/3/88-SCT (B) dated 26/8/88]

Recommendation (Sl. No. 40, Para 5.17)

The Committee recommend that as assured by the Finance Secretary during evidence, the Ministry of Finance may mobilise facilities by opening new Branches in the remote areas so that the credit facilities are made available to the Scheduled Caste/Scheduled Tribe persons living in those areas. They feel that with the provision of the special indicator that there will be bank within every 10 kilometres of each place and the setting up of mobile banking facilities in remote areas, it should not be difficult for the banks to open more branches and to provide better credit facilities in those areas to mitigate the difficulties of Scheduled Caste/Scheduled Tribe persons in getting loans.

Reply of the Government

According to the current Branch Licensing Policy for 1985-90, branch expansion in already banked centres is considered by RBI on the basis of clearly established need, spatial gaps in the availability of banking facilities and financial viability of the proposed branch. The Policy envisages establishment of bank office for a population of 17,000 in the rural and semi-urban areas of each block and location of at least one bank office within a distance of 10 kms. The task of identification of centre for opening additional bank branches, in accordance with the norms laid down in the current Policy, was entrusted to Lead Banks/ State Governments. RBI allots only such centres included in the list of identified centres received from the concerned State Government. It is hoped that this thrust in expansion of banking facilities in hitherto unbanked areas would definitely help the local population in general and weaker sections including SC/ST in particular.

[Ministry of Finance, Deptt. of Economic Affairs (Banking Division)—
OM No. 5/3/88 SCT (B) dated 26/8/88]

Recommendation (Sl. No. 42, Para 5.31)

The Committee have been informed that proposals for IRDP loans are cleared jointly by the Bank and DRDA when targets are fixed. In the context of smaller number of applications for such loans being sanctioned out of the total number of applications received, the Finance Secretary clarified that if the proposals had been jointly cleared by the Bank and DRDA, they had to be sanctioned. The Committee recommend that in the light of clarification given by the Finance Secretary, out of the pending applications, all applications which have been

sponsored by the DRDAs where banks are represented should be cleared by the Bank forthwith. The Committee feel that even if the applications have been sponsored by DRDAs alone, the loan applications should not be rejected on the ground of non availability of loan assets as the onus of providing such assets lies on the sponsoring development agency.

Reply of the Government.

Bank of Baroda monitors the applications submitted by DRDA under IRDP at various levels. Periodical meetings are also organised between bank officials and DRDA to expedite sanction of the proposals and also acquire assets like milch animal etc Bank has assured that efforts would be made to co-ordinate with DRDA to ensure that loan assets are properly acquired.

[Ministry of Finance Deptt of Economic Affairs (Banking Division)—
OM No. 5/3/88 SCT (B) dated 26/8/88]

Recommendations (Sl. No. 45 Para 5.34)

The Committee have been informed that in the absence of any indicative targets, the figures of loans sanctioned under various schemes do not reflect the SC/ST areas. The Committee recommended that the reporting system should be suitably modified to indicate specifically the amount of credit extended to the SCs/STs separately under various poverty alleviation schemes.

Reply of the Government

Reserve Bank of India has introduced a system of collecting separate figures of credit extended to SC/ST a few years back.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26.8.88]

Recommendation (Sl. No. 46 Para 5.37)

The Committee regret to note that out of 55 branches allotted to it to be opened in unbankable areas during 1987, the Bank of Baroda have been able to open 45 branches till the end of that year. The Committee recommend that the Bank of Baroda should gear up its machinery so that it does not fall into arrears in opening of new branches in unbankable areas as allotted to it by the Reserve Bank of India. The Committee hope that the remaining 10 branches will be opened by the Bank of Baroda at the earliest.

Reply of the Government

Opening of branches is continuously monitored. The Bank has opened 19 rural/semi-urban branches during the year 1988 upto 1.6 1988.

[Ministry of Finance. Deptt. of Economic Affairs (Banking Division)—
OM No. 5/3/88-SCT (B) dated 26.8.88.]

Recommendations (Sl. No. 51, Para 5.51)

The Committee note that there has been a fall of 2.1 per cent in the advances to Scheduled Castes/Scheduled Tribes in 1986 as compared to 1985 under DRI Scheme which has been ascribed to increase in total DRI advances by Rs. 5.06 crores in that year. The Committee are not convinced of the reason given by the Bank authorities. They recommend that the Bank should exercise due caution and care and take all possible steps to ensure that there is no decline in DRI advances to Scheduled Castes, Scheduled Tribes in future.

Reply of the Government.

The Bank has noted this recommendation for compliance.

[Ministry of Finance, Deptt. of Economic affairs (Banking Division)—
O.M No. 5/3/88-SCT (B) dated 26-8-88]

Recommendation (Sl. No. 51, Para 5.56)

The Committee recommend that the work relating to providing financial assistance to Scheduled Caste/Scheduled Tribe should be entrusted to special branches of the Bank as assured by the Chairman of the Bank of Baroda during evidence.

Reply of the Government.

For financing Weaker sections of the society especially SC/ST Bank had set-up Multi Service Agencies and Gram Vikas Kendras in rural and semi-urban areas under concept of Service Area Approach now each branch in the rural and semi-urban area will be allocated few villages for survey and there after for preparation of schemes to finance. As such the areas dominated by SC/ST will also be specially taken care of. In every regional, zonal & Central office the Bank has a committee to

review credit flow to SC & ST under various categories including S.S.I. Any rejections of the applications of SC/ST beneficiaries are referred to the next higher authorities for review.

[Ministry of Finance, Deptt. of Economic Affairs (Banking Division)
OM No. 5/3/88 SCT (B) dated 26-8-88]

Recommendation (Sl. Nos. 52-53, Para 5.57)

The Committee have been informed that by having liaison with the State Scheduled Caste/Scheduled Tribe Corporations and by its own efforts the bank will extend credit facilities to more Scheduled Caste/Scheduled Tribe beneficiaries. The Committee will like to be apprised of the result of the efforts of the bank to extend credit to more SC/ST Corporation.

The Committee will await the details of examples where the Scheduled Caste/Scheduled Tribes borrowers have gainfully utilised the loans and activities undertaken by them have become viable.

Reply of the Government

The Bank has financed through various corporations such as Gujarat Tribal Development Corpn. Mahatma Jyotiba Phule Samatha Pratishtan etc which cater to the needs of Weaker sections, minorities including SC/ST. The sub data relating to extension of credit by each of the Corporations to SC/ST is not prescribed in the format which is being collected. However, Bank's financing to SC/ST is being appraised periodically and the same is reported to RBI as well as to Bank's Board of Directors. Few of the success stories for lending to SC/ST are enclosed at Annexe 'B'.

[Ministry of Finance, Deptt. of Economic affairs (Banking Division)—
OM No. 5/3/88 SCT (B) dated 26-8-88]

Recommendations (Sl. No. 54, Para 5.62)

The Committee regart to note that whereas the total priority sector advances work out to Rs. 10,000/- per head in general category in the case of scheduled Castes/Scheduled Tribes it works out to Rs. 1900/- per head only which in the opinion of the Committee is dismally low. The Committee recommend that the advances to Scheduled Caste/Scheduled Tribe beneficiaries in the Priority Sector should be increased by making concerted efforts by the Bank and by undertaking crash program-

mes OVks and MSAs as assured by the Chairman of the Bank during evidence.

Reply of the Government.

The Bank has taken note of the observations of the Committee and has already taken steps through various Regional offices to increase the participation through various corporations for financing to SSI, Transport Operators, etc. Whereby the average amount to SC/ST can be stepped up. This will be monitored by Bank's Central Office on continuous basis.

[Ministry of Finance, Deptt. of Economic affairs (Banking Division)—
OM No. 5/3/88-SCT (B) dated 26-8-88]

Recommendation (SI No. 57, Para 5.73)

The Committee recommend that an in depth study into the problem of the recovery of loans in general and from SC/ST borrowers in particular in Priority Sector should be made by the Bank of Baroda at the earliest so that ways and means are devised to effect timely recovery of loans from borrowers including SCs/STs.

Reply of the Government

The Zonal Offices of the bank have been advised to undertake sample studies of recovery of Priority Sector. Advances in general and that to SC/ST in particular in one of the districts where concentrations of SC/ST financing is relatively larger. Sr. Manager (SISB) has been entrusted with the task and Bank hopes to get a report within 6 months. The study proposed would analyse reasons for default at the borrowers level and will suggest suitable remedial measures to be initiated.

[Ministry of Finance, Deptt. of Economic affairs (Banking Division)—
OM No. 5/3/88 SCT (B) dated 26-8-88]

Recommendation (SI. No. 59, Para 5.86)

The Committee recommend that a comprehensive booklet giving details of all the schemes for which loans are made available should be brought out by the Indian Banks Association as early as possible. In the meanwhile the Bank of Baroda should bring out a booklet to give publicity to the loan facilities made available by it to deserving students who have merit record and are needy of financial help to pursue education.

Reply of the Government

Bank of Baroda is bringing to the notice of Indian Banks' Association, request of the Committee to prepare a separate booklet, pamphlet giving details of the scheme under which loans are made available to SC/ST.

The Bank has been bringing out various booklets/pamphlets and also uses other medias through which various schemes of the Bank are published. This is being up-dated. Special care will be taken for Educational Loan Scheme meant for SC/ST.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26-8-88]

Recommendation (Sl. No. 63 Para 5. 104)

The Committee recommend that the Ministry of Finance and the Reserve Bank of India should devise some ways and means to curb the menace of disbursement of 'Benami' loans and the exploitation by middleman of the simple and illiterate loanees. In disbursing the loans on "Loan Melas" all applicants should be treated on equal footing and the procedure should be so streamline that there is no scope for any extraneous consideration or influence being applied in favour of any applicant.

Reply of the Government.

All loans including those disbursed at Credit Camps are to be sanctioned/dispursed in accordance with well laid down procedures/norms prescribed by Reserve Bank of India/Government.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26-8-88]

CHAPTER III

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

Recommendation (Sl. No. 3 Para 1.24)

The Committee note that the Bank of Baroda has taken some steps to clear the backlog of reserved vacancies in the Officers Cadre by annually taking 50 per cent of the recruits from Scheduled Castes/Scheduled Tribes. However, steps to clear the backlog of reserved vacancies in the clerical and sub-staff cadres are yet to show the results as the process of recruitment is still on. The Committee recommend that the Ministry of Finance should pursue the matter with the Bank of Baroda and ensure that suitable measure are taken to clear the backlog in these two cadres as early as possible.

Reply of the Government

All the public Sector Banks including the Bank of Baroda have been advised :—

- (1) To place correct indents with the Banking Services Recruitment Boards in the proformae specially designed for the purpose. The proformae have been so designed as to ensure that the backlog including current reservation are indented in full, subject, however, to maximum of 50% of the total vacancies indented.
- (2) To conduct pre recruitment and pre-promotional training programmes for SC & ST to improve their chances of success at the recruitment/promotion Tests.
- (3) To request the Banking Service Recruitment Boards for conducting special recruitment Test for SC/ST whenever the backlog for SC & ST in their Banks is considered substantial.
- (4) To include an SC/ST member in the Interview Board/Selection Committee in order to safeguard the interests of SC/ST candidates in such selections/promotions.

Further, the Banking Service Recruitment Boards and the Banks etc. have also been advised to set up Examination Centres in localities nearest to the habitation of Scheduled Castes and Tribes. They have also been advised to give wide publicity to their advertisements of vacancies through local All India Radio and Press.

The above measures should go a long way in wiping out or substantially reducing the backlog for SC/ST in all the Cadres in Public Sector Banks including Bank of Baroda.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B dated 26-8-1988)]

Recommendation (Sl. No. 5 Para 2.6)

The Committee regret to note that a delay of 7 years occurred in the implementation of the reservation orders in promotions in the Banks there by denying a large number of Scheduled Castes/Scheduled Tribes employees promotions during all these years. The representative of the Ministry of Finance has pleaded that matter might be treated as closed as according to legal opinion reservations in promotions can not be given retrospective effect. The Committee are of the firm opinion that if retrospective effect can not be given to reservations in promotions, some justice can be done if for a few years the quota for reservations in promotions is increased above the normal limit so that the persons affected may get the advantage of promotions missed by them at least from a future date. The Committee desire that this matter should be re-examined and some way found to undo the injustice already done to a number of Scheduled Castes and Scheduled Tribes employees.

Reply of the Government

The opinion of the Ministry of Law in the matter has already been placed before the Committee. It is submitted that as per rules, the percentage of reservation fixed for the SC/ST can not be increased except to the extent of the backlog which has not lapsed. It is, therefore, not possible to implement the recommendation. Hence, it is requested that the recommendation may be dropped.

[Ministry of Finance (department of Economic Affairs – Banking Division) OM No. 5/3/88 SCT (B) dated 26-08-1988]

Recommendation (Sl. No. 41 Para 5.18)

The Committee note that in the priority sector a target of 40 per cent has been fixed for the sanction of loans to weaker sections but no separate targets for Scheduled Castes/Scheduled Tribes have been fixed therein. However, individual banks have targets in respect of DRI and other schemes. The Committee have been assured by the Finance Secretary that "for the whole programme for bank lending, we will try to evolve indicative targets for each bank for the Scheduled Castes/Scheduled Tribes and tell them that not only they should reach priority goal but they should also reach the Scheduled Caste/Scheduled Tribe target." According to the Finance Secretary, at present, the target for Scheduled Castes/Scheduled Tribes under priority sector is normally 6 to 9 per cent varying from bank to bank. He has assured that "We must reach 10 per cent." The Committee recommend that the steps mentioned by the Finance Secretary during the evidence should be implemented forth with so that the Scheduled Castes/Scheduled Tribes do not have to suffer on account of the non availability of the loans.

Reply of the Government

While Government had take up the matter regarding fixation of indicative targets for credit to SC/STs with the Reserve Bank of India—the RBI have drawn Government's attention to certain practical constraints in enhancing the multiplicity of targets which may prove counter-productive—particularly keeping in view the actual trend of steady growth in the share of SC/STs in total bank credit for which the various Government sponsored anti-poverty schemes have played a catalytic role. Thus the balance outstanding of bank credit in favour of SC/STs between December, 1983 and December, 1987 increased from Rs. 769 crores to Rs. 1814 crores. After careful consideration Government have, therefore, come to the conclusion that the various Government's sponsored special schemes are adequately meeting the objective of enhancing the share of credit to SC/STs, and an another set of indicative targets of total bank credit is not necessary.

[Ministry of Finance, Deptt. of Economic Affairs (Banking Division)—
OM No. 5/3/88-SCT (B) dated 26/8/88]

Recommendation (Sr. No. 44 Para 5.33)

The Committee note that in the figures of loans given under SEEUY and SEPUP the amount of subsidy is also included whereas in the loans given under IRDP it is excluded. The plea put forward by the Ministry

is that in the case of IPDP, the amount of subsidy is adjusted at the time of sanction of loan whereas the amount of subsidy under the other two schemes is adjusted at the end. In the opinion of the Committee this pattern of reporting of loans given under the two schemes i.e. SEEUY and SEPUP the amounts of loans given are inflated and do not reflect the true position. The Committee recommended that some indication should be given in the figures of loans sanctioned under these two schemes by the Banks to indicate the amount of subsidy also even if it is to be adjusted at the end.

Reply of the Government

As regards separate reporting of subsidy deposit credited against SEEUY/SEPUP loans, it may be stated that such loans are sanctioned by several branches of the banks spread over the length and breadth of the country. Collection and compilation of data from a large number of branches may necessitate considerable time and resources which may not be advisable as benefit accruing therefrom may not be commensurate to the cost incurred.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26.8.88.]

Recommendation (Sl. No. 47 Para 5.40)

The Committee find that Banks have been advised to lend 10 per cent of their aggregate credit to weaker sections which include scheduled castes and scheduled tribes. However, no fixed percentage thereof is earmarked for SC/ST borrowers. The Committee have been informed that the Ministry of Finance has asked the Reserve Bank of India to examine and advise Government on evolving suitable targets which may be indicative of the share of lending within the priority sector channeled towards the SC/ST beneficiaries. The Committee will await the action taken by the Ministry of Finance on the advice given by the Reserve Bank in this regard.

Reply of the Government

While Government had taken up the matter regarding fixation of indicative targets for credit to SC/STs with the Reserve Bank of India—the RBI have drawn Government's attention to certain practical constraints in enhancing the multiplicity of targets which may prove counter-productive, particularly keeping in view the actual trend of steady growth in the share of SC/STs in total Bank credit for which the various Government sponsored anti-poverty schemes have played a catalytic

role. Thus the balance outstanding of bank credit in favour of SC/STs between December, 1983 and December, 1987 increased from Rs. 769 crores to Rs. 1,814 crores. After careful consideration Government, have, therefore, come to the conclusion that the various Government sponsored special schemes are adequately meeting the objectives of enhancing the share of credit to SC/STs and an another set of indicative targets of total bank credit is not necessary.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26.8.88.]

Recommendation (Sl. No. 50 Para 5.48)

During the evidence, the Finance Secretary has informed the Committee that the question of raising the loan limit under DRI Scheme for various programmes including IRDP is engaging the attention of the Ministry of Finance. The Committee recommend that the decision in the matter may be taken expeditiously and if possible, the loan limit under DRI Scheme should be enhanced to Rs. 10,000 which will automatically benefit SCs/STs also. The Committee will like to be apprised of the final decision taken in the matter.

Reply of the Government

The Task Force on DRI Scheme constituted by the Govt. reviewed the whole scheme of DRI in all its perspectives and submitted its report in March 1985 and Govt. is of the view that no further revision is necessary at this stage.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26.8.88.]

Recommendation (Sl. No. 60 Para 5.87)

The Committee have been informed that amount of scholarship is the studies for the purpose deducted while assing the total requirements of a student to pursue of giving loans under the scheme. Meritorious students deserve equal assistance if not more as the assistance given to them is likely to achieve better results. The Committee recommend that the procedure of deducting scholarship amount should be discontinued forthwith and the merit scholarships should not be taken into account while assessing the total requirements of the students for loans.

Reply of the Government

Reserve Bank of India is not in favour of excluding the amount of scholarship while assessing the total requirement of the students for loans as the word scholarship is ordinarily taken to mean funds for prosecution of studies and banks have to take into account the amount of the scholarship while arriving at the need based credit limit on realistic basis.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26-8-88]

Recommendation (Sl. No. 61 Para 5.88)

The Committee recommend that educational loans being a social welfare measure should be brought under the DRI Scheme and an interest at the rate of 4 per cent should be charged by the Banks from the loanee students more so in view of the deposition of the Chairman of the Bank of Baroda that there were no takers of the loans under this scheme.

Reply of the Government

Under the current prescriptions all advances for educational purposes made by scheduled commercial banks fall within the purview of Priority Sector. Advances to indigent students, i. e. those students whose family income is less than Rs 12,000/- per annum, for the purposes of higher education in India attract a rate "not less than Bank Rate" (Presently 10 per cent). Other educational advances attract concessional interest at 14.5 to 15.5 per cent which is the rate applicable to 'Priority Sector not otherwise specified'. The rate of 10 per cent applicable to educational loans to indigent students is comparable to those charged on smaller advances under the poverty alleviation programmes like IRDP, SEEU, SEPUP, etc.

As regards, scope for further reduction in interest rate charged on such loans, it may be pointed out that a large part of banks' resources are already pre-empted in concessional lending to priority and preferred sectors. As a result of this and other factors, banks are working with very narrow margins. In view of this and cogent arguments for lowering interest rates to more borrowers notwithstanding, it would not be advisable to enlarge the area of concessional lending in Banks' lending rates.

[Ministry of Finance, Department of Economic Affairs (Banking Division) OM No. 5/3/88-SCT (B) dated 26-8-88.]

Recommendation (Sl. No. 62, Para 5. 97)

The Committee note that at present the lead banks' role is that of coordinators and they have no power to keep a strict control and supervision over the implementation of various programmes undertaken by the other banks. The Committee have been informed by the representative of the Ministry of Finance that the role of the lead bank in the present context is being reviewed. The Committee recommend that some power should be vested in the lead bank to control and supervise the schemes undertaken by other banks in the respective areas and to give necessary instructions to those banks. The Committee will like to be apprised of the steps initiated in this regard as a result of the review

The Committee recommend that while selecting villages for inclusion in the command areas for development it should always be ensured that the stress is laid on those villages which have a predominant population of SCs/STs.

Reply of the Government

The implementation of credit plans are monitored, at the district level, by the District Consultative Committee, convened by the Lead Bank and held under the Chairmanship of the collector of the district. Lack of performance by individual banks are brought to the notice of the respective controlling offices of the banks at the D.C.C. forum. It would not be feasible to vest the Lead Bank with powers to give instructions/directions to other bank branches as the line of command has to be intra—organisational—and to be effective.

The Service Area approach now taken up for implementation would ensure that all the villages in the country are allotted to the extant rural and semi-urban branches for meeting the eligible credit requirement. Thus there would be no credit gap in the spatial context.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26/8/88.]

CHAPTER IV

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

Recommendation (Sl. No. 21, Para 3.44)

The Committee note that according to existing directions of the Department of Personnel an SC/ST candidate may be appointed initially on the basis of whatever *prima-facie* proof he is able to produce in support of his caste claim subject to his furnishing the prescribed certificate within a reasonable time. The Committee recommend that subsequent to the appointment, the recruitee may be asked to furnish his caste certificate from the authorised authority within six months of the recruitment on a form which may be devised by the Banks. The certificate when received should be carefully examined to ensure that the caste mentioned therein is really an SC/ST in the respective state and any doubt raised should be got clarified by referring the matter to the concerned District Magistrate. Where necessary, legal opinion may also be taken at that very stage so that no complications arise later on if the certificate is found to be unacceptable. This, in the opinion of the Committee, will automatically curb the menace of submission of false caste certificates.

Reply of the Government

The format of the Caste Certificate for SC/ST has already been prescribed by the Deptt. of Personnel & Training and incorporated in the Brochure on Reservation for SC/ST in Services. This format is uniformly applicable to all, and the State Governments issue the certificate in this format. Therefore, it is not possible to devise a different format of Caste Certificate for the Banks.

All SC/ST candidates joining service in the Public Sector Banks are required to produce original Caste Certificates for verifications by the Appointing Authority. Banks have been advised to refer to concerned district authorities for verification of Caste/Tribe Certificates in cases of doubts.

These measures are considered sufficient deterrent to persons against producing false Caste Certificates for the purpose of obtaining employment in the Public Sector Banks.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) dated 26-08-1988.]

Comments of the Committee

Please See Para 1.4 of Chapter—I

Recommendation (Sl. No. 43 Para 5.32)

The Committee recommend that the ceiling of Rs. 5000 as loan under the SEPUP is too low keeping in view the continuous increase in prices. The Committee recommend that the ceiling should be suitably enhanced.

Reply of the Government

SEPUP Scheme was introduced only about three years back and it is too early to carry out any revision at this stage.

[Ministry of Finance, Deptt. of economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26/8/88.]

Comments of the Committee

Please See Para 1.7 of Chapter—I

Recommendation (Sl. No. 48, Para 5.43)

The Committee note that the norm regarding deployment of 1 per cent of the previous years total advances of the banks towards DRI was fixed in November, 1978. The Committee feel that since more than 10 years have intervened since the norm was last revised, the matter requires a fresh look so that the norm is suitably upgraded in view of the changing social conditions in the country. The Committee recommend that such an exercise should be undertaken by the Ministry of Finance at the earliest and its outcome/communicated to the Committee.

Reply of the Government

The Task Force on DRI Scheme constituted by the Government reviewed the whole scheme of DRI in all its perspectives and submitted its report in March, 1985 and Government is of the view that no further revision is necessary at this stage.

[Ministry of Finance, Department of Economic Affairs (Banking Division), OM No. 5/3/88-SCT (B) dated 26.8.88.]

Comments of the Committee

Please see Para 1.10 of Chapter I.

Recommendation (Sl. No. 49, Para 5.44)

The Committee are of the opinion that the present norm of the eligibility of family income under DRI Scheme of Rs. 7,200 and Rs. 6,400 per annum in the towns and villages respectively for getting loans also needs upward revision. The Committee recommend that along with the examination of the need for enhancement of the loan limit under the scheme the norm of family income should also be reviewed by the Ministry and suitably upgraded. A report in this regard may be submitted to the Committee at the earliest.

Reply of the Government

The Task Force on DRI Scheme constituted by the Government reviewed the whole scheme of DRI in all its perspectives and submitted its report in March, 1985 and Government is of the view that no further revision is necessary at this stage.

[Ministry of Finance, Department of Economic Affairs (Banking Division)—OM No. 5/3/88-SCT (B) dated 26.8.88.]

Comments of the Committee

Please see Para 1.13 of Chapter I.

Recommendation (Sl. No. 58, Para 5.77)

The Committee recommends that the decision on the raising of the ceiling on the loans to Scheduled Castes/Scheduled Tribes for construction of housing should be expedited by the Ministry of Finance as assured by the Finance Secretary during evidence and if possible, it should be raised to Rs. 7500/-. The Committee will like to be apprised of the decision taken.

Reply of the Government

The matter has been re-examined in consultation with Reserve Bank of India. It was felt that keeping in view the cost of raising deposits and other social objectives entrusted to the Banks, it was not feasible to enhance the maximum amount of housing loan to SC/ST beneficiaries

at 4% per annum from Rs. 5,000/- to Rs. 7,500/-. However, from the following table, it will be seen that the flow of bank credit to SCs/STs for housing purpose has increased both accountwise and amountwise.

(Amount in Rs. crores)

Year ended	No. of accounts	Balance outstanding
December 1980	88265	20.55
December 1985	91933	28.90
December 1986	114505	43.37
June 1987	139298	58.98

[Ministry of Finance, Department of Economic Affairs—(Banking Division)—OM No. 5/3/88-SCT (B) dated 26-8-88.]

Comments of the Committee

Please *see* Para 1.16 of Chapter I.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS ON WHICH FINAL REPLY OF GOVERNMENT HAVE NOT BEEN RECEIVED

Recommendation (Sl. No. 15. Para 3.17)

The Committee note that the Bank of Baroda finds it difficult to fill all the vacancies reserved for Scheduled Tribes through promotions by giving 5 per cent concession in written test as well as in interview. They have been assured by the Chairman of the Bank and the representative of the Ministry of Finance during the evidence that the question of giving further relaxations to Scheduled Tribes in written test and interview for promotion will be reviewed. The Committee will like to be apprised of the outcome of the review.

Reply of the Government

The recommendation of the Committee is being examined.

[Ministry of Finance (Department of Economic Affairs—Banking Division) OM No. 5/3/88-SCT (B) dated 26-08-1988.]

Comments of the Committee

The Committee will like to be apprised of the outcome of the review regarding giving of further relaxations to Scheduled Tribes in written test and interview for promotions.

Recommendation (Sl. No. 23, Para 4.10)

The acute shortage in the representation of the Scheduled Tribes in the clerical and sub-staff cadres of the Bank of Baroda has been attributed to the non-availability of Scheduled Tribe candidates. To overcome this difficulty the Ministry of Finance has held a meeting with the Chairman of the Banking Service Recruitment Boards and impressed upon them that wherever Scheduled Tribe candidates are available they should be recruited and made available to the Banks. The Committee will like to be apprised of the net outcome of this effort in wiping out the backlog in the posts reserved for Scheduled Tribes.

Reply of the Government

Backlog in respect of ST in Clerical Cadre as at the end of 1987 was 2517 (in respect of 27 Banks Financial Institutions). The impact of the discussion held with the Chairman, Banking Service Recruitment Boards would be known only after the candidates belonging to ST are made available by the BSRBs & appointed by the Banks on the basis of recruitment examinations held in 1987 and 1988. The backlog position as at the end of 1988 is likely to become available towards the end of March, 1989. (Ministry of Finance (Department of Economic affairs—Banking Division) OM No. 5/3/88-SCT (B) dated 26-08-1988.)

Comments of the Committee

The Committee would like to be apprised of the net outcome of the effort made in wiping out the backlog in the posts reserved for Scheduled Tribes.

Recommendation (Sl. No. 24, Para No. 4.11)

The Committee have a feeling that the above measure in itself may not result in wiping out completely the backlog in filling up the posts reserved for Scheduled Tribes unless and until inter-zonal recruitments are resorted to. The Committee recommend that Ministry should explore the possibility of introducing inter-zonal recruitment of Scheduled Tribe candidates in clerical and sub-staff cadres so that their representation in the services of the Bank comes up to the prescribed percentage. They will like to be kept apprised of the steps taken in this regard.

Reply of the Government

Recruitment to the Clerical Cadre in the Public Sector Banks is open to candidates from any part of the country. However, on selection such candidates can be offered appointment only in the area over which the jurisdiction of a particular BSRB extends. It also applies that the candidate should be prepared to serve in the state for which the recruitment has been made. As such, there is no bar for the ST candidates applying to Banking Service Recruitment Boards where the vacancies for them have been advertised.

Regarding sub-staff, as per the existing procedure, the Banks can only place the indents on the local district employment exchanges. In case of non-availability of suitable candidates, they can request that employment exchange to obtain the candidates from the adjoining

employment exchange. It is doubtful if a district employment exchange can ask for the candidates from another State. Even if it is possible, it is very unlikely that such candidates will at all join the post in another State. However, this aspect of the matter is being examined in consultation with the Ministry of Labour/Deptt. of Personnel & Training.

[Ministry of Finance (Department of Economic Affairs)—(Banking Division) OM No. 5/3/88-SCT (B) dated 26-08-1988.]

Comments of the Committee

The committee would like to be apprised of the result of the examination of the possibility of introducing inter zonal recruitment of Scheduled Tribe candidates in consultation with the Ministry of Labour/Department of Personnel & Training.

Recommendation (Sl. No. 55 Para 5.65)

The Committee recommend that the the proposal to collect information in respect of all advances to Scheduled Caste/Scheduled Tribe beneficiaries at the head office of the bank as is done in the case of applications received from Scheduled Caste/Scheduled Tribe beneficiaries under the IRDP, may be implemented expeditiously as intimated to the Committee during evidence.

Reply of the Government

At present statements are collected in the form prescribed by RBI. However, Bank has reported to be taking steps to collect further data relating to flow of applications from SC/ST beneficiaries as is being collected under IRDP.

[Ministry of Finance, Deptt of Economic affairs (Banking Division) OM No. 5/3/88-SCT (B) dated 26-8-88.]

Comments of the Committee

The Committee would like to be apprised of the final action taken in the matter.

Recommendation (Sl. No. 56, Para 5 68)

The Committee recommend that the Deposit Insurance and Credit Guarantee Corporation Scheme be so amended as to cover the advances given to Scheduled Caste/Scheduled Tribe Development Corpn. so that these corporations do not have to depend on the State Governments to give guarantee for the loans.

Reply of the Government

The matter is still under consideration in consultation with RBI/Deposit Insurance and Credit Guarantee Corporations (DICGC)

[Ministry of Finance Deptt of Economic affairs (Banking Division)
OM No. 5/3/88 SCT (B) dated 26-8-88.]

Comments of the Committee

The Committee may be apprised of the final decision taken by RBI/Deposit Insurance and Credit Guarantee Corporations (DICGC) in the matter.

NEW DELHI

February 1989,
Magha 1910 (Saka)

ARVIND NETAM

Chairman,
Committee on the Welfare of
Scheduled Castes and Scheduled
Tribes

MOST IMMEDIATE
No. 101/1/88-SCT (8)
MINISTRY OF FINANCE
DEPTT. OF ECONOMIC AFFAIRS
(BANKING DIVISION)

NEW DELHI—110001

Dt. the 29th Jan. 1988

To

All Chief Executives of
Public Sector Banks/Financial Institutions.

SUB : *Reservation policy for the SCs/STs—Placing of yearly review statements before the Board of Directors.*

Sir,

I am directed to refer to this Division's letters No. 101/12/86-SCT-(B) dt. 28-11-1986 and 7-10-1987 wherein all Public Sector Banks/Financial Institutions have been advised to place the review reports before the respective Boards of Directors on half yearly/yearly basis, in respect of the matters pertaining to implementation of reservation policy in favour of SCs and STs. During the course of deliberations at the meeting of the Liaison officers for SCs and STs held in this Division on 9-10-87, it has been decided to frame a standard proforma for the purpose of reviewing the performance of the banks in the implementation of reservations for SCs and STs etc. Accordingly, a proforma has been devised and is enclosed for use in the bank. You are requested to carry out the pannual reviews regarding the implementation of reservation policy for SCs and STs etc. as per the proforma at the level of Board of Directors, preferably, in the month of January very year. A copy of such review alongwith the directions/remarks of the Board may be forwarded to this Division immediately thereafter and in any case by 15th February of that year. The review report for the year 1987 may be placed before the Board of Directors of your Bank latest by 28-2-1988 and a copy of the same may be sent to this Division by 15-3-1988.

Since the proforma in which the review will be carried out contains the information being submitted by the Banks through the Returns No. 1 to 6, you are advised to discontinue the same forthwith except to

the extent these are to be sent to other establishments like Deptt. of Personnel and Training, Commissioner for SC and ST, DG-Resettlement etc. Return No. 6 may however continue to be sent on half yearly basis, usual.

Please acknowledge receipt of this letter.

Yours faithfully,
(Y.P. SETHI)

Deputy Secretary to the Govt. of India

Copy for information and necessary action to :—

1. All Government Directors of the PSBs/FIs in Banking Divn.
2. Personnel Adviser, IBA, Bombay.

Name of Bank

Date of meeting

Note for the Board of Directors on the Progress made in the Implementation of Reservation Policy of the Government in Respect of SCs & STs, Physically Handicapped Persons and Ex-Servicemen during the Year.

A. Reservation Policy for SCs and STs

1. The Bank has been implementing the rule of reservations for SCs and STs with effect from— — — — — in Direct recruitment and from— — — — — in promotions.
2. The representation of SCs and STs in the total strength of the Bank in all the 3 cadres as on 31.12. is as under :—

S. No.	Cadre	Total Strength	Representation of		%age of representation
			SCs	STs	
1.	Officers				
2.	Clerks.				
3.	Sub-staff (excluding sweepers)				
4.	Sweepers				
	(a) Pmt. &				
	(b) Temp.				

Reasons for shortfalls if any.

(here bank may mention, in brief, the reasons for shortfall in the representation of SCs and STs for information of Board of Directors)

3. Details of direct recruitmet of all candres during the year.

Sr. Cadre No.	Total vacancies filled	Vacancies filled by		
		General candidates	SCs	STs
1. Officers				
2. Clerks				
3. Sub staff				

4. Details of indents placed with BSRBs/Emp. Exchanges during the year for direct recruitment to all cadres.

Sr. Cadre No.	Total Indented	Indented for				
		Gen.	SC	ST	P.H.	Ex-servicemen
1. Officers						
2. Clerks						
3. Sub-staff						

5. No. of vacancies indentified, reservations made for direct recruitment in all cadres during the year.

S. Cadre No.	Total vacancies identified	Gen.	Reserved for			
			SC	ST	PH	Ex-Servicemen
1. Officers						
2. Clerks						
3. Sub-staff						

6. Details of Backlog in Direct Recruitment :

The details of posts carried forward from the previous year, reservations made, posts filled and total backlog as at the end of the year are as under :—

S. Cadre No.	Backlog carried forward from pre-years		Posts reserved during the year		Posts filled during the year by SC/STs.		Total backlog at the end of year	
	SC	ST	SC	ST	SC	ST	SC	ST
1. Officers								
2. Clerical								
3. Sub-staff								

(Reasons for not filling up the reserved vacancies may be mentioned here in brief for information of Board),

7. Details of de-reservation of reserved posts in all cadres during the year (in direct recruitment.)

The following number of posts reserved for SCs and STs have been de-reserved during the year :—

Sr. Cadre No,	No. of SC posts de-reserved	No. of ST posts de-reserved
1. Officers		
2. Clerical		
3. Sub-staff		

(Here please mention for information of Board whether the prescribed procedure of dereservation has been followed and the approval of competent authority has been obtained in advance. If not, reasons thereof may be given).

8. Details of reserved posts exchanged between SCs and STs and the posts lapsed during the year (in direct recruitment)

S. No.	Cadre	Exchange of posts between		Total posts lapsed	
		SC to ST	ST to SC	SC	ST
1. Officers					
2. Clerical					
3. Sub-Staff					

(Here mention the details of steps taken by Bank to prevent lapsing of reserved posts)

9. Details of presentation/complaints received from the SC & ST Associations, individuals. VIPs ecc. during the year including those received through Banking Division.

S. No.	Source of representation/complaint	Total No. received	Categories/nature of Complaints.		
			Harassment	Transfer/promotion etc.	Misc.
1.	VIP				
2.	Associations/Unions etc.				
3.	Individuals				
4.	Other sources				

(Here mention whether the above complaints/representations have been properly accounted for and disposed of)

10. Details of statistics of Bogus caste certificates detected and action taken during the year.

No. of cases detected during the year	No. of cases B/F from Prev. year in which action is pending.	Total No. of cases in hand	No. of cases in which action is pending during the year.	No. of cases in which final action has been taken
1	2	3	4	5
No. of cases in which services of persons terminated during the year	No. of cases in which complaints with police were lodged during the year		No. of cases in which persons moved the court and obtained stay order	
6	7		8	

11. Details of pre-recruitment and pre-promotion planning programmes conducted, for SCs and STs during the year.

S.No. Cadre	Pre-recruitment		Pre-promotion			
	No. of programmes conducted	No. of persons trained		No. of programmes conducted	No. of candidates trained	
		SC	ST		SC	ST
1. Officers				Promotions with in officers cadre.		
2. Clerical				Promotions from clerical to officer cadre.		
3. Sub-staff				Promotions from sub-staff to clerical cadre.		

(Here Bank may mention the details of the facilities provided to the trainees particularly for pre-pre-recruitment and the period of training etc. for information of Board/Government)

12. Special Recruitment tests conducted for clearing backlog during the year.

(The bank may mention the details of Special recruitment tests conducted, if any, during the year for wiping out the backlog for SCs and STs either directly for sub-staff or through BSR Bs for Clerical/Officer cadres).

Reservations in Promotions

13. The Bank has been providing for reservations in promotions within officers' cadre (applicable only where promotions are made on seniority-cum-fitness method. There are no reservations in promotions from sub-staff to clerical cadre since the direct recruitment to clerical cadre exceeds 66 $\frac{1}{3}$ %. The details of promotions made, No. of posts reserved, No. of posts filled by SCs and STs, Posts exchanged between SCs and STs, No. of posts de-reserved and No. of posts lapsed etc. are given below :—

(a) No. of Posts Reserved, Filled and Backlog

S.No. Channel	Backlog carried forward from previous year SC ST	No. of posts filled (total)	No. of posts reserved for		Posts filled by		Backlog at the end of year	
			SC	ST	SC	ST	SC	ST

1. Within Officers' cadre.
2. Clerical to Officers' cadre.

(Here mention the reasons for not filling up the total vacancies reserved for SCs and STs in brief for information to Board)

(b) Details of Exchange & Lapsing of Posts Reserved for SCs and STs in Promotions.

S.No. Channel	Posts exchanged		Posts dereserved		Posts lapsed	
	SC to ST	ST to SC	SC	ST	SC	ST

1. Within Officers' cadre.
2. Clerical to Officers' cadre

(Here mention the details of steps taken for preventing the reserved posts from lapsing, dereservation etc. Also mention whether the procedure prescribed for dereservation followed and the approval of competent authority obtained before actually dereserving the reserved posts, if not, mention the reasons therefor).

14. Net increase in the representation of SCs and STs over last year.

S. No.	Cadre	Total Strength		Scheduled Castes			SC. Tribes		
		Last year	This year	Last year	This year	%age incr.	Last year	This year	%age incr.
1.	Officers								
2.	Clerical								
3.	Sub-staff (ex. sweepers)								
4.	Sweepers (a) Pmt. (b) Temp.								

(Here mention reasons if the %age of increase is negative).

Check List

(This is designed to know whether the Bank is following the instructions of the Government issued from time to time in the matter of reservations for SCs and STs. This may be filled and placed before the Board of Directors for information and perusal).

S. No.	Question/Query	Reply of Bank
1.	Whether rosters are maintained separately for all cadres for direct recruitment/promotions to which rule of reservations applies.	Yes/No. (If the answer is 'No' reasons therefor be mentioned.)
2.	Whether SC and ST cells have been set up in Head Office and Regional/Zonal Offices.	Yes/No (. do...)
3.	Whether Liaison Officers have been appointed at Head Office/Regional/Zonal Offices :	Yes/No. (...do...)
4.	Whether Liaison officer has checked the Rosters during the year.	Yes/No (...do...)

S. No. Question/Query	Reply of Bank	
5. Whether LO makes himself available for meeting the representatives of SCs & STs periodically.	Yes/No	(.. do...)
6. Whether the Complaint Register is maintained and the entries made therein are checked by LO.	Yes/No.	(...do...)
7. Whether indents placed during the year contained the details of current reservations plus backlog to the extent of 50% of the total vacancies indented for.	Yes/No.	(...do...)
8. Whether a SC/ST member has been included in all the DPCs/Interview committees constituted for direct recruitment/promotions to which rule of reservations/concessions to SCs/STs available.	Yes/No.	(...do...)
9. Whether concessions to be made available to SCs and STs in recruitment and promotions have been really made available to these communities.	Yes/No.	(...do...)
10. Whether all the instructions/guidelines issued by Govt. during the year have been noted and if so gist of the same be given.	Yes/No.	(...do...)
16. (Any other information which is relevant/fit to be brought to the notice of the Board of Directors may be mentioned herein).		

Approved by :

DMD/EXECUTIVE DIRECTOR/MD

General Manager

Reservation policy in respect of physically handicapped persons

As per the Government orders, the Bank has been providing reservations for Physically Handicapped at the rate of 3% of the total vacancies arising in Clerical and Sub-Staff cadre in a year and the 3% of posts are distributed amongst the 3 categories of P.H. Persons as under :—

Blind	1%
Deaf & Dumb	1%
Orthopaedically handicapped	1%

There is no reservation for PH persons in officers cadre and in promotions from one cadre to another.

1. *Details of backlog in posts reserved for PHS.*

S. No. Cadre	Post filled	Backlog carried from pre year			Current Reservations during yr.			Total post filled by P.H. Pers.			Backlog of the end of the year		
		B	D	O	B	D	O	B	D	O	B	D	O

1. Clerical

2. Sub/staff

(Some times it may be possible that no posts reserved for PH persons could be filled in view of the instructions that priority should be given to filling of the posts reserved for SCs and STs to the full extent of 50% of the total posts. In such circumstances, the Board may be informed of the facts)

2. *Details of posts dereserved, lapsed during the year*

S. No. Cadre	No. of Posts Dereserved			No. of Posts Lapsed		
	B	D	OH	B	D	OH

1. Clerical

2. Sub-staff

3. Details of reserved posts exchanged amongst various categories during the year.

S. No. Cadre	Posts reserved for blind exchanged with		Posts reserved for Deaf & Dumb with		Posts exchanged reserved for OH exchanged with Blind Deaf
	D	OH	Blind	OH	
1. Clerical					
2. Sub-staff					

4. Total Representation of P.H. Persons in the Service of Bank as at the end of the Year.

S. No. Cadre	Total strength in bank	Representation of PHs		
		Blind % age	Deaf % age	OH % age & dumb
1. Officers				
2. Clerical				
3. Sub-Staff				

Check List

3. Please indicate whether :—

- (a) a Liaison Officer has been appointed for Welfare of PH persons. Yes/No (if not, please given reasons)
- (b) Half yearly returns have been sent to the Govt. well in time. Yes/No (if not mention reasons for late submission)
- (c) Rosters have been maintained properly.
- (d) The instructions issued by the Govt. in respect of PHs have been noted and if so, gist of the same may please be furnished to the Board.

4. (Here mention any other information relevant to the implementation of the reservation policy for PHs in the bank during the year for information of the Board/Government.

Approved by :

(General Manager)

CMD/ED/MD

Reservation policy in respect of ex-servicement

The Bank has been providing reservation for Ex-Servicemen including disabled Ex-Servicemen, War-Widows/dependents of Ex-Servicemen at the rate of 14½% in Clerical Cadre and 24½% in subordinate cadre as per the Government instructions.

Details of posts served, filled and backlog during the year

S. No. Cadre	Total posts filled	Backlog carried forward	Reservations made during the year	Post filled during by Ex-Servicemen	Backlog at the end of year.
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1. Clerical

2. Sub-staff

2. *Total representation of Ex-Servicemen at the end of year.*

S. No. Cadre	Total strength	Ex-Servicemen	%age of Representation
1. Officer			
2. Clerical			
3. Sub-staff			
4. Sub-staff (sweepers)			

3. *Details of number of posts de-reserved and lapsed during the year.*

S. No.	Cadre	Post Dereserved	Post Lapsed
1. Clerical			
2. Sub-staff			

4. (Here mention the reasons for de-reservation and lapsing of posts reserved for Ex-Servicemen during the year in both the cadres).

Check List

Please indicate whether :—

- | | |
|--|----------------------------------|
| (a) A Liaison Officer has been appointed in the Bank for the Welfare of Ex-SM. | Yes/No (If no, reasons therefor) |
| (b) Whether half yearly returns have been sent to Liaison Officer (DGE&T) M/O Labour/DGR/IBA during the year as well in time. | Yes/No (...do...) |
| (c) Whether a representative of DGR has been associated in recruitment of Sub-Staff during the year. | Yes/No (...do...) |
| (d) Whether the instructions/guidelines issued by Government in respect of EX-SM have been noted and if so, gist of the same may be placed before Board for information. | |

Approved by :

CMD/ED/MD

(GENERAL MANAGER)

APPENDIX II

Immediate

**NO. 5/10/87-SCT (B)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
(BANKING DIVISION)**

New Delhi, dated 14-7-87.

To

The Chairman, SBI

**Chairman & Managing Directors of all 20 nationalised Banks
MDs of associate banks of SBI**

IFCI/IRBI/IDBI/NABARD/RBI/EXIM BANK

**SUB : Reservations for and employment of SCs/STs Evidence before the
Parliamentary Committee on the Welfare of SCs/STs.**

Sir,

The Parliamentary Committee on the Welfare of Scheduled Castes and Scheduled Tribes in its 21st Report presented to the Parliament (8th Lok Sabha) on 20th April, 1987 has, *inter alia*, desired that the public sector undertakings under the control of the Ministry of Finance should convey the reasons for rejection of the SC/ST candidates sponsored to them by the employment exchanges for recruitment to these employment exchanges so that they could sponsor the right type of SC/ST candidates in future. The Govt. has accepted this recommendation of the Committee. You are accordingly advised to follow the assurance in letter and spirit and confirm the same to the Govt.

Yours faithfully,

(Y.P. SETHI)

Deputy Secretary to Government of India

Telex : 312422

Copy for information to :—

- (i) The Insurance Division of Department of Economic Affairs with reference to their circular No. 11 (24)/86 Ins. V dated 1st July, 1987.
- (ii) Lok Sabha Secretariat (Parliamentary Committee on Scheduled Castes & Scheduled Tribes)
- (iii) IBA
- (iv) Director (P)
- (v) US (Admn.) for similar action.

(Y.P. Sethi)

Deputy Secretary

APPENDIX III

**F.No. 5/13/86—SCT (B)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
(BANKING DIVISION)**

New Delhi, Dated the 4th Feb., 87

To

**The Chairman, SBI
The Chairman & Managing Directors of
all Nationalised Banks.
Chief Officer, DAP, RBI, Bombay**

The Chairman : IFCI/IDBI/NABARD/IRBI/EXIM Bank.

SUB. : *Request for extention of time for reporting for duty by SC/ST candidates.*

Sir,

During the course of evidence of the Ministry of Finance Banking Division before the Parliamentary Committee on the Welfare of Scheduled Castes/Scheduled Tribes on 27th January, 1987 the Committee desired to ensure that the request received from the Scheduled Caste/Scheduled Tribe candidates for extention of time to enable them to join for duty are considered sympathatically. Accordingly the Government has decided that the banks should follow the following procedure in this respect :—

(a) All requests from the Scheduled Caste/Scheduled Tribe candidates allotted to a particular bank seeking extention of time to join duty will be considered sympathetically and no such request will be rejected by an Officer at a level lower than that of the General Manager.

(b) In case a candidate who has been offered appointment in the bank does not report for duty within the stipulated time, it should not

be straightaway presumed that he is not interested in joining the bank. To ensure that the offer of appointment has actually been received by him, if a candidate belonging to Scheduled Caste/Scheduled Tribe does not report for duty within the stipulated time in response to the letter of appointment sent to him by the bank, the post will be offered to the next candidate only after a 2nd letter has been sent to such a candidate by registered post acknowledgement due giving him at least 15 days notice to join duty.

2. The banks are requested to follow this procedure scrupulously.

Yours faithfully,

(Y. P. SETHI)

Deputy Secretary to the Govt. of India

Copy to ;

- (i) Indian Bank Association, Bombay
- (ii) IR Section (Banking) for information.

APPENDIX IV

F. No. 9/1/10/88—IR
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
(BANKING DIVISION)

New Delhi, the 13th June, 1988.

To

1. Chairman of all RRBs/CRB.
2. Chief Executives of all Public Sector Banks.
3. Chief Executives of all Financial Institutions.
4. Chief Officer, DBOD, RBI, Bombay.

SUBJECT : *Action taken on the recommendations contained in the Thirty-sixth Report of the Committee on the Welfare of SCs and STs (Eighth Lok Sabha) on the Ministry of Finance (Department of Economic Affairs—Banking Division)—Reservations for, and employment of, SCs and STs in Bank of Baroda and credit facilities provided by the Bank to SCs/STs.*

Sir,

The Parliamentary Committee on the Welfare of SCs and STs on the Ministry of Finance (Department of Economic Affairs—Banking Division) *Vide* para 4.19, 4.20 and 4.31 on the action taken report on the recommendations contained in the 36th Report of the Committee has observed as under :—

Para 4.19. "The Committee note that against the indent placed in 1985, the BSRB, Baroda forwarded the list of selected 50 SC and 25 ST candidates to the Bank of Baroda in December, 1986 and till September, 1987 i.e. for about nine months no SC/ST candidate has been given appointment by the Bank. The reason for this inordinate delay has been stated to be the lack of knowledge of the exact requirement of candidates on the part of the Bank. According to the Ministry of Finance the banks are projecting their strength on the basis of the

projected business based on norms in relation the deposit etc. or the advances which is really not a rational basis and keeping this in view the Reserve Bank has laid down that even though the examinations for recruitment have been held the appointments can be given only after the banks process their real requirements with the result that delay is likely to intervene between the holding of the examination and giving of the appointments to the selected candidates. *The Committee recommend that instead of basing their requirement on hypothetical or imaginary basis, the banks should make a realistic assessment of their requirements and only thereafter place the indents with the BSRBs so that wasteful expenditure and unnecessary inconveniences are avoided.*"

Para 4.20. "Another reason for delay in issuing of appointment letters put forth by the Bank is that without deciding internal promotions, the appointment letters to the recruits cannot be given with the result that lot of delay occurs in giving appointments to the candidates selected by the BSRB. *The Committee recommend the whole exercise regarding the number of persons to be promoted internally and thereafter determining the number of candidates to be taken through direct recruitments should be done by the banks well before the placing of the indents to the BSRBs*".

Para 4.31. "The Committee regret that in view of economy instructions the staff in the clerical cadre of the Bank were denied promotions in 1986 on the ground that this would have left gaps vis-a-vis requirements in the feeder cadre. *The Committee are of the firm view that promotions should be given to the employees whenever there are vacancies in the higher cadre and for which eligible candidates are available in the feeder cadres.*

The Committee recommend that unconvincing grounds like gaps vis-a-vis requirement in feeder cadre should not deter the Bank authorities to give due promotions to the staff in future."

2. The Government has accepted the above recommendations of the Committee. You are accordingly advised to keep the above recommendations of the Committee in view and follow the same while making

assessment of requirements ; placing indents with the BSRBs ; making promotions etc.

3. The receipt of this letter may please be acknowledged.

Yours faithfully,

(S. P. BHATIA)

Under Secretary to the Government of India

1. Copy to DS(C) with reference to their U.O. No. 5/3/88-SCT(B) dated the 29th April, 1988.

2. Personnel Adviser, IBA, Bombay.

(S.P. BHATIA)

Under Secretary to the Government of India

APPENDIX V

(Vide para 4 of the Report).

Analysis of the Action Taken By Government on the Recommendations Contained in the Thirty-Sixth Report of the Committee

- I. Total Number of recommendations—63.
- II. Recommendations which have been accepted by the Government (*Vide* recommendations at Sl. Nos. 1, 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 22, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 42, 45, 46, 51, 52, 53, 54, 57, 59 and 63).
Number—44.
Percentage to Total—69.84.
- III. Recommendations which the Committee do not desire to pursue in view of Governments replies (*Vide* recommendations at Sl. Nos. 3, 5, 41, 44, 47, 50, 60, 61 and 62),
Number—9.
Percentage to Total - 14.28.
- IV. Recommendations in respect of which replies of Government have not been accepted and which require reiteration (*Vide* recommendations at Sl. Nos. 21, 43, 48, 49 and 58).
Number—5.
Percentage to Total—7.94.
- V. Recommendations in respect of which final replies of the Government have not been received (*Vide* recommendations Sl. Nos. 15, 23, 24, 55 and 56).
Number—5.
Percentage to Total—7.94.

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