

**COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES
(1996-97)**

30/12/97
1063

95819

(ELEVENTH LOK SABHA)
THIRD REPORT

ON

MINISTRY OF FINANCE
(DEPARTMENT OF ECONOMIC AFFAIRS)
(BANKING DIVISION)

Reservation for and Employment of Scheduled Castes and Scheduled Tribes
in Allahabad Bank and Credit facilities provided by the Bank to them.



सत्यमेव जयते

*Presented to Lok Sabha on 17.12.1996
Laid in Rajya Sabha on 17.12.1996*

**LOK SABHA SECRETARIAT
NEW DELHI**

December 1996/Agrahayana, 1918 (Saka)

Price: Rs. 16.00

U R

CONTENTS

	PAGE
Composition of the Committee	(iii)
INTRODUCTION	(v)
PART-I - RESERVATIONS IN SERVICES	
CHAPTER I	REPRESENTATION ON THE BOARD OF DIRECTORS
	(a) Organisational set up of Allahabad Bank 1
	(b) Board of Directors 1
CHAPTER II	RESERVATION IN SERVICES
	(a) Reservation 3
	(b) Staff strength and shortfalls 3
	(c) Promotion 4
CHAPTER III	ORGANISATIONAL MATTERS
	(a) Liaison Officer and SCST Cell 7
	(b) Rosters 7
	(c) Grievances of SCST Employees 8
CHAPTER IV	MEASURES TO IMPROVE RESERVATION IN SERVICES
	(a) Pre-recruitment training 11
	(b) In-service Training 11
	Part II-Credit Facilities
CHAPTER V	(a) Organisational set up in Ministry of Finance to review credit facilities to SCs/STs 13
	(b) Organisational set up to monitor the flow of credit to the Scheduled Castes and Scheduled Tribes 13
	(c) Priority Sector Advances 16
	(d) Performance of Allahabad Bank in lending to SCs and STs under DRI Scheme 17

(c) Performance of Allahabad Bank in various schemes being operated for providing Credit Facilities to SCs/STs . .

(f) Housing Loan for Scheduled Castes/ Scheduled Tribes.

(g) Educational Loan Scheme

CHAPTER VI

OTHER MATTERS

(a) Loan Applications

(b) Recovery position of Loans under different schemes from SCs/STs

(c) Advances to Small Scale Industry . . .

(d) Orientation and training programme for officers regarding socio-economic development of SCs/STs at the Branch level.

APPENDIX Summary of Conclusions/Recommendations

LIBRARY
C. I. Publications
Acc. No. RC 95.81.9.12
Date

LC

301.43R

N 8.3.1

**COMPOSITION OF COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND SCHEDULED TRIBES
(1996-97)**

Shri Khagapati Pradhani — *Chairman*

**MEMBERS
*Lok Sabha***

2. Shri Anandrao Vithoba Adsul
3. Shri Tara Chand Bhagora
4. Shri Anchal Das
5. Shri Paban Singh Ghatowar
6. Shri Thawar Chand Gehlot
7. Dr. M. Jagannath
8. Shri Anand Ratna Maurya
9. Shri Karia Munda
10. Shri Rupchand Murmu
11. Shri Lalit Oraon
12. Shri Kameshwar Paswan
13. Shri Mangal Ram Premi
14. Shri Bajuban Riyan
15. Dr. Jayanta Rongpi
16. Shri Ram Sagar
17. Shri Madhaba Sardar
18. Shri V.P. Shanmunga Sundaram
19. Shri Ratilal Kalidas Verma
20. Shri Nandi Yellaiah

Rajya Sabha

21. Shri Radhakrishan Malaviya
22. Shri Onward L. Nongtdu
23. Shri Jagir Singh Dard
24. Shri Ram Nath Kovind
25. Shri Jagannath Singh
26. Shri Anil Kumar
27. Shri Ish Dutt Yadav
28. Shri Dawa Lama
29. Shri Joyanta Roy
30. Shri Satish Pradhan

SECRETARIAT

1. Shri J.P. Ratnesh — *Joint Secretary*
2. Shri B.R. Kanathia — *Deputy Secretary*
3. Shri Madan Lal — *Under Secretary*

(iii)

INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to finalise and submit the Report on their behalf, present this Third Report (Eleventh Lok Sabha) on the Ministry of Finance, Department of Economic Affairs (Banking Division) — Reservation for and employment of Scheduled Castes and Scheduled Tribes in Allahabad Bank and Credit Facilities provided by the Bank to them.

2. The Committee took evidence of the representatives of the Ministry of Finance, Department of Economic Affairs (Banking Division) on 19th December, 1995. The Committee wish to express their thanks to the Officers of the Ministry of Finance, Department of Economic Affairs (Banking Division) for placing before the Committee material and information the Committee wanted in connection with the examination of the subject.

3. The report was considered and adopted by the Committee on 9th December, 1996.

4. A summary of conclusions/recommendations contained in the Report is appended (Appendix).

NEW DELHI;
December 1996

Agrahayana, 1918 (Saka)

KHAGAPATI PRADHANI
*Chairman,
Committee on the Welfare
of Scheduled Castes and
Scheduled Tribes.*

PART I—RESERVATIONS IN SERVICES

CHAPTER I

REPRESENTATION ON THE BOARD OF DIRECTORS

A. Organisational set up of Allahabad Bank

1.1 As regards the organisational set up of the Allahabad Bank the Committee have been informed that the overall management of the bank is with the Board of Directors, which is headed by a Chairman & Managing Director. The CMD is assisted by one Executive Director and General Managers. Apart from the above there are Dy. General Managers and Asstt. General Managers in the top management level.

1.2 The bank has 11 Zonal, 44 Regional Offices and 1855 branches in India. The organisational structure of the Central Office has been so aligned as to enable it to exercise effective control over the Zonal and Regional Offices directly and the branches through the Zonal and Regional Offices.

B. Board of Directors

1.3 It was stated that the Directors in the Board of the Bank were nominated by Central Government in exercise of the power conferred by Sub-section (3) of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and as amended in 1994 read with Sub-clause (1) of Clause (3) of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme 1970/1995 after consultation with the Reserve Bank of India.

1.4 The Committee were informed that there were provisions for appointment of one officer and one award staff member as directors on the Board of Directors and in terms of this Scheme, these appointments were to be made by the Government out of the panel of persons recommended by the representatives of union/association. There was hardly any room for the Government and the banks to interfere in the recommendations of the candidates by the union/association. However, it was the endeavour of the Government to appoint at least one member belonging to SCST community on the Board of Directors of each bank, if not from within, at least from outside.

1.5 The Committee were informed that there were 13 members in the Board of Directors and 2 posts of Directors were vacant and no member from Scheduled Castes/Scheduled Tribes represented in the Board.

1.6 Asked to state what efforts had been taken by the Government to appoint at least one member belonging to SC/ST community on the Board of Directors of Allahabad Bank, it was stated that the Board of Directors of the Bank was constituted under section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. All the Directors including the Chairman & Managing Director and Executive Director who were whole time Directors, were appointed by the Central Government under various sub-clauses of section 9(3) of the Act. It was the policy of the Government to ensure due representation of the SCs/STs on the Board of Directors of all nationalised banks including Allahabad Bank.

1.7 The Committee note with concern that at present there is no SC/ST member in the Board of Directors of the Allahabad Bank despite the fact that two posts for Directors are vacant. The Committee are of the view that the appointment of a person belonging to Scheduled Castes/Scheduled Tribes on the Board of Directors of nationalised Banks including Allahabad Bank should always be considered in future and they may also be informed of the same.

CHAPTER II
RESERVATION IN SERVICES

A. Reservation

2.1 The percentage of reservation followed in favour of the Scheduled Castes and Scheduled Tribes in Allahabad Bank in respect of posts filled by direct recruitment and posts filled by promotion are as under:

(i) Posts filled by direct recruitment

Posts	Percentage of reservation	
	SC	ST
(a) Officers	15%	7½%
(b) Clerks	Statewise reservation as prescribed by the Govt. depending on the population of SCs/STs in each State/UT.	
(c) Sub-staff		

(ii) Post filled by promotion

	Percentage of Reservation	
	SC	ST
In all promotions from one cadre to another	15%	7½%

B. Staff Strength and Shortfalls

2.2 Table below gives the staff strength as on 1.6.95

	Category of Posts	Total No. of employees	No. of		Percentage of Total		Shortfall	
			SCs	STs	SCs	STs	SCs	STs
			3	4	5	6	7	8
As on								
1.6.95	Officers	7030	927	353	13.18	5.07	14	07
	Clerks	10709	1671	340	15.60	3.17	14	19
	Sub-staff	4700	983	303	20.91	6.44	10	15
	Sweepers	558	418	6	74.91	1.07	—	—

2.3 From the above statement it is observed that there is shortfall of SCs/STs in all the categories of posts. The reason for the shortfall is stated to be non-availability of eligible SC/ST candidates.

2.4 The position of shortfall as on September, 95 was as under:—

Category of Posts	Scheduled Castes	Scheduled Tribes	Total
Officers	14	9	23
Clerks	18	20	38
Sub-staff	16	16	32

2.5 In reply to a query it was informed that in the special recruitment drive undertaken during 1995 the Bank got 32 EDP officers and there were a few officers from SCs/STs category amongst them.

2.6 When the representative of the Allahabad Bank was asked about the effective measures adopted by them to make up the shortfall against the identified vacancies in the officers, clerks and the sub-staff cadre; the specific time by which the shortfall is likely to be completed and the main reasons for not getting eligible SC/ST candidates, the Committee were informed that the Bank had requested the BSRB, Lucknow to make special drive for recruitment of CAs exclusively for SC-8 & ST-4 within the vacancies identified for the recruitment year 1995-96. As regards clerical and sub-staff cadre, the Bank may be in a position to take care of the shortfalls after getting clearance from the Reserve Bank of India. In case of selection done by BSRBs in some centres there were less candidates available in SC/ST categories. The main reasons were stated to be the non-availability of suitable candidates for senior posts, the uneven spread of population in certain areas, poor mobility to other areas etc. Moreover, that was a continuous process and special recruitment drives were undertaken to fill up the backlog from time to time.

2.7 The Committee note with concern regarding the shortfall in recruitment of Scheduled Castes and Scheduled Tribes. The reasons for the shortfall are attributed to non-availability of suitable candidates and the uneven spread of population in certain areas, and also poor mobility of STs to other areas etc. are hardly convincing to the Committee. The Committee recommend that the Government should make concerted efforts to wipe out the shortfall of SCs/STs in all the categories of posts by conducting repeated special recruitment drives. The Committee also recommend that the bank should formulate a perspective plan for the future recruitments (including special recruitments) for selection of candidates to various categories of posts and by allowing more concessions/relaxations to SC/ST candidates.

C. Promotion

2.8 The Committee were informed that for promotion in different categories of posts, the Bank followed the procedure as under:—

- (i) Promotions from subordinate to non-subordinate cadre.

(ii) Promotion from clerical to officer cadre in Junior Management cadre scale-I.

(iii) Rules/Procedure for promotions in officer cadre from one grade/scale to another.

2.9 The Committee were informed that relaxation is given to SCs/STs in case of promotion through Merit Test, one year relaxation is given in the eligibility period to SCs/STs while giving promotion through test to the cadre of Clerks/Clerk-cum-Cashier, etc.

2.10 In respect of promotions in the Officers Cadre based on selection method, various concessions are given to SC/ST candidates as provided in brochure.

2.11 The statement showing the total number of employees promoted during 1992, 1993 and 1994 in various categories of posts and the number of Scheduled Castes and Scheduled Tribes among them is as under:—

Category/ Designation of posts	Total No. of employ- ees pro- moted	No of		Percen- tage		Short- fall		Percen- tage		Remarks
		SC	ST	SC	ST	SC	ST	SC	ST	
1	2	3	4	5	6	7	8	9	10	11
Sub-staff to										
Clerical										
Cadre										
1992	25	2	1	8	4	1	4	33.33	80	Due to non- avail- ability of eligible candidates
1993	205	58	11	28.29	5.36	9	9	13.43	45	
1994	29	6	5	20.68	17.24	10	7	62.5	58.33	
Clerical to										
Officer										
Cadre										
JMG, Scale-1										
1992	176	37	18	21.02	10.22	—	—	—	—	-do-
1993	119	17	7	14.28	5.88	1	2	5.5	22.22	
1994	117	18	10	15.38	8.54	—	1	—	9.09	

Note: There is no reservation in promotion within the Officers Cadre.

2.12 It has been observed from the above statement that there were shortfall of SCs/STs in promotion from sub-staff to clerical cadre during 1992 to 1994. The reasons for this shortfall are stated to be non-availability of suitable/eligible candidates belonging to these categories.

2.13 On being asked what steps were taken to remove shortfall in promotion of SC/ST and how soon it would be possible to clear the shortfall, it was informed by the Allahabad Rank that SC/ST candidates

were being given necessary pre-promotional training; relaxation in eligibility criteria was also considered in respect of such candidates as per agreement arrived at with the recognised majority Union in consonance with the Government guidelines received from time to time.

2.14 The Committee note with concern that inspite of various concessions/relaxations to SCs and STs there is still shortfall of 10 SCs and 7 STs in promotion from sub-staff to clerical cadre during 1994. The usual plea of non-availability of suitable/eligible candidates belonging to these categories is hardly convincing. The Committee desire that Allahabad Bank should clear the shortfall in promotions in respect of SCs & STs at the earliest by giving further relaxation so that the shortfall could be wiped out. The Committee also recommend that to overcome the shortfalls, the promotional posts should be filled up by diverting the posts to direct recruitment for SCs and STs only.

2.15 The Committee find that SC/ST candidates are being imparted necessary pre-promotional training and relaxation is provided to them in the eligibility criteria. The Committee appreciate the efforts made by the Allahabad Bank for reducing the shortfall in the promotional posts. The Committee hope that the Bank will continue their sincere efforts to wipe out the shortfall of SCs/STs.

CHAPTER III
ORGANISATIONAL MATTERS

A. Liaison Officer and SC/ST Cell

3.1 It was stated that the Bank had nominated Chief Liaison Officer for SCs/STs etc. at Head Office and Liaison Officer for SCs/STs at its Zonal and Regional Offices to ensure due compliance of the reservation made in favour of SCs/STs and other concessions admissible to them and look after the interest of Scheduled Castes and Scheduled Tribes.

3.2 A separate Cell for SCs/STs has been set up at Head Office/Zonal/Regional Offices under control of the Chief Liaison Officer/Liaison Officers.

3.3 The Committee were informed that the Liaison Officers posted in Zonal/Regional Offices used to meet the Zonal/Regional level representatives of SC/ST Welfare Council on half-yearly intervals to redress the grievances of the SC/ST employees pertaining to respective zone/region. However, at Head Office level Chief Liaison Officer meets the representatives of SC/ST employees welfare council at quarterly frequencies.

3.4 The Committee wanted to know the number of Liaison Officers belonging to SC/ST community at Zonal/Regional office. In reply, it was stated that one Regional Manager at regional office, Midhapore, belonging to SC community was the Liaison Officer for the concerned Region.

3.5 In the post evidence reply to a question it was replied that SC/ST Cells at Head Office/Regional Offices/Zonal Offices were headed by officers belonging to SC/ST community.

B. Rosters

3.6 "The Committee were informed the Bank was maintaining separate rosters for direct recruitment of Officers, Clerks, sub-staff, Fulltime Sweepers, part-time sweepers on fractional wages and sweepers on fractional wage and sweepers on consolidated pay. While the rosters for Officers cadres' recruitment are maintained at Head Office, Zonal/Regional offices maintains State-wise/Union Territory-wise rosters for recruitment in clerical, sub-staff and sweepers cadres."

3.7 Rosters for Promotion

(i) It was stated that for promotion from clerical cadre to Officers cadre in JMG Scale I, 40-point roster was maintained at head Office on All India basis.

(ii) State/Union Territory-wise 40 point Roster is maintained for promotion from subordinate cadre to clerical cadre separately for different channels of promotion.

3.8 The Committee were informed that the rosters maintained at different levels are periodically inspected by the respective Liaison Officers. The Chief Liaison officers of the Bank conduct annual inspection of rosters maintained at head Office and other subordinate offices. The representatives of the National Commission for SCs/STs as well as officials from Banking Division, Ministry of Finance, Government of India also inspect the rosters maintained at different levels from time to time.

3.9 On being asked whether any discrepancies had been found by the Liaison Officer while inspecting rosters and what action had been taken to avoid recurrence of such discrepancies, it was submitted that some discrepancies were found by the Liaison Officer while inspecting rosters. These discrepancies were properly corrected.

3.10 It was stated that the following steps were taken to avoid recurrence of such discrepancies:—

(i) SC/ST cells were created at each regional as well as Zonal Office which were manned by officers of SC/ST category. These Officers were imparted training once in a year.

(ii) Guidelines on maintenance of reservation rosters were sent to different zonal/regional offices where rosters were maintained in frequent intervals by the Head Office.

(iii) Roster statement were regularly and closely scrutinised by the SC/ST Cell of Head Office and necessary corrective measures had been taken.

3.11 The Committee note that the Bank have nominated Chief Liaison Officer for SCs/STs at Head Office and also Liaison Officers in its zonal and regional offices to ensure due compliance of the orders and instructions pertaining to reservation in favour of SCs/STs and other concessions admissible to them. The Committee is of the opinion that the Chief Liaison Officer should conduct periodical meetings with the Liaison Officers of the Regions/Zones to exchange views about their common problems to avoid any controversy in the implementation of reservation orders.

(C) Grievances of SC/ST Employees

3.12 In regard to the grievances of SC/ST employees it was stated that the redressal of grievances of the SC/ST employees was looked into by the SC/ST Cells at Head Office, Zonal Offices and Regional Offices under the control of the Chief Liaison Officer and other Liaison Officers for SC/ST etc. In such cells SC/ST Officers have been posted for the purpose. The Liaison Officer, meet SC/ST employees from time to time, hear their grievances and take necessary measures wherever warranted.

3.13 Moreover, the Bank holds meeting with the representatives of the SC/ST Employees Welfare Council on quarterly and half-yearly

frequencies at Head Office and Zonal/Regional Offices respectively to sort out their problems/grievances.

3.14 On having asked about the total number of complaints and the nature of such complaints received from SC/ST employees at Head Office. Zonal/Regional Offices during the last three years, the Committee were furnished the information as under:—

Complaint received at Head Office

1992

S. No.	Source of Complaints	Total No. received	Categories/nature of Complaints		
			Harassment	Transfer/Promotion etc.	Misc.
1.	V.I.P.	1	—	—	1
2.	Individuals	4	—	—	1
3.	Association/ Unions	8	—	—	—
4.	Other Sources (Banking Divn./ Commission for SCs/STs)	7	2	4	1

1993

1.	V.I.P.	1	—	—	1
2.	Individuals	1	—	—	1
3.	Association/ Unions	5	—	—	—
4.	Other Sources (Banking Divn./ Commission for SCs/STs)	4	—	2	2

1994

1.	2	3	4	5	6
1.	V.I.P.	2	—	1	1
2.	Individuals	2	—	1	1
3.	Association/ Unions	16	2	3	11

1	2	3	4	5	6
4.	Other Sources (Banking Divn./ Commission for SCs/STs)	8	—	4	4

3.15 On having enquired about the usual time taken for disposal of those grievances and the steps taken to ensure that their grievances were redressed within the stipulated time the following information was furnished to the Committee:

“Time taken for disposal of grievances depends upon the nature and gravity of complaints received. The following steps had been taken to ensure that the grievances were redressed within the minimum possible time:—

- (i) Immediately on receipt of a complaint it was diarised in the complaint register;
- (ii) The matter was taken up with the concerned Zonal/Regional Heads for their specific views and comments on the complaints;
- (iii) On receipt of the reply from the concerned Zonal/Regional Offices, it was analysed and considered at the apex level and appropriate corrective steps advised to the concerned functionaries;
- (iv) Sometimes personal hearing was given by the Zonal/Regional Heads to the aggrieved SC/ST employees to mitigate their grievances.”

3.16 The Committee note that the Liaison Officer posted at Zonal/Regional Offices use to meet the Zonal/Regional level representatives of SC/ST Welfare Council on quarterly and half-yearly intervals to redress the grievances of SC/ST employees. The Committee further note that on receipt of a complaint it is diarised in the complaint register. The Committee desire that the time taken in disposing of the complaints should be mentioned in the complaint register.

3.17 The Committee also desire that action taken on the complaints/grievances should also be indicated in the register and checked and countersigned by the Liaison Officer of the Banking Division periodically.

CHAPTER IV

MEASURES TO IMPROVE RESERVATION IN SERVICES

A. Pre-recruitment training

4.1 The Committee were informed that training is imparted to SC/ST candidates to enhance their ability to face interview Boards. The nature of pre-recruitment training comprise Arithmetic Ability, Language, General Knowledge & Test of reasons etc. Booklets supplied by I.B.P.S. were also distributed to the candidates for their reference and guidance.

4.2 The number of SC/ST candidates imparted training during the last three years are as under:—

	SC	ST	Total
1992	460	125	585
1993	773	127	900
1994	640	60	700

4.3 The Committee wanted to know the reasons for low number of Scheduled Tribe candidates as compared to Scheduled Castes who had undergone training. In a written reply, it has been stated that:—

“Necessary communication was sent to every candidate whose names were forwarded by the BSRBs. The number of ST candidates applying for recruitment test through BSRB are comparatively less than the SC candidates.”

4.4 The Committee desired to know whether the period of six days of pre-recruitment training was sufficient for SC/ST candidates. In a written reply it was stated:—

“The period of six days of pre-recruitment training was found to be sufficient for SC/ST candidates.”

B. In-service training

4.5 The Committee were informed that in-service training was given to all employees including Scheduled Caste/Scheduled Tribe employees of the Bank.

4.6 Asked as to whether SC/ST employees complete their training as successfully as that of employees of general category, the Committee were informed that from the post-training feed back received in regard to major the training programmes, it was observed that the training had proved to be result-oriented for the SC/ST candidates *vis-a-vis* to that of the employees belonging to general category.

4.7 The Committee were informed that Staff Colleges/Training Centres of the Bank impart in-service training to all employees including SC/ST employees together, so as to enhance their concept, skill and aptitude. However, for imparting training on reservation and allied matters the Cell officials belonging to SC/ST community are exclusively nominated.

4.8 The Committee note that Pre-Recruitment training is imparted to SC/ST candidates to enhance their ability to face the interview boards. The Committee feel that the present duration of six days for pre-recruitment as well as for interviews is insufficient. The Committee therefore, recommend that the duration of pre-recruitment training should be suitably increased to make it more rewarding.

PART II — CREDIT FACILITIES

CHAPTER V

A. Organisational Set-up in the Ministry of Finance to review credit facilities to SCs/STs

5.1 As regards the organisational set up in the Ministry of Finance (Deptt. of Economic Affairs — Banking Division) for providing credit facilities to SCs and STs the Committee were informed that, a separate Cell for monitoring the flow of credit to person belonging to SC/ST categories has been set up in the Ministry which is a part of Development Section. The Development Section has a Section Officer with supporting staff and it functions under the overall supervision of officers at the level of Under Secretary, Deputy Secretary and Joint Secretary. It was also stated that the Banking Division was holding periodic meetings with the senior executive of Public Sector Banks where the performance of Public Sector Banks in the matter of extending credit assistance to priority sector, weaker sections, SC/ST beneficiaries etc., is reviewed. The Credit Cell in the Banking Division prepares necessary information with regard to performance of Public Sector Banks, on the basis of feedback received from them.

5.2 When asked what arrangements have been made in the Ministry of Finance for monitoring and evaluation of various schemes being operated by Nationalised Banks for providing credit facilities to SCs and STs, it was stated that the performance of Public Sector Banks in the matter of extending credit assistance to priority sector including that of SC/ST beneficiaries is reviewed by the Government as well as RBI periodically and suitable steps are taken to make up the deficiencies wherever noticed.

B. Organisational set up to monitor the flow of credit to the Scheduled Castes and Scheduled Tribes

5.3 In response to a query by the Committee regarding the shortcomings noticed by RBI officials at the time of inspection/scrutiny of progress of Allahabad Bank, it was submitted as under:—

- (1) The advances to the SCs/STs were very low as a percentage to total advances at the branch(es).
- (2) Details regarding important activities suitable in the area, unit cost of such activity and lending rates were not displayed at the branches.
- (3) There was no system of periodical review of performance of the small scale/tiny units whose performance was not satisfactory.

- (4) IRDP passbooks were not issued to the concerned beneficiaries and no record of loan passbooks, wherever issued, was maintained at the branches.
- (5) The time scheduled prescribed by RBI in regard to disposal of loan applications received from priority sector categories was not adhered to by the branches.
- (6) The branch has compounded interest on all IRDP loan accounts instead of charging simple interest in contravention of guidelines/instructions issued by RBI.
- (7) Post-disbursement supervision was found to be lacking.
- (8) The branches have not explored the possibilities to expand their credit operations beyond the proposals sponsored to it under the Government Sponsored Schemes.
- (9) The branch officials were unaware of the RBI guidelines on keeping a watch on incipient sickness and rehabilitation measures to be taken in case of sick and viable units.
- (10) Reserve Bank of India instructions on fixing a particular day in each week for disbursal of loans under priority sector has not been implemented.
- (11) The reasons for rejection of loan applications were not recorded in the loan application registers.
- (12) Whereas some of the branches have not sanctioned any advances to priority sector, some have sanctioned meagre amounts to agricultural sector.
- (13) The branches have committed certain lapses in the matter of subsidy administration like subsidy amounts lying unadjusted at the branches.
- (14) The branches levied penal interest on advances upto Rs. 25,000/- in respect of priority sector categories in contravention of RBI instructions.
- (15) The performance of some of the branches under Service Area Approach was not satisfactory.

5.4 In a post evidence information the Committee were furnished the year-wise break-up of shortcomings/irregularities

noticed including those related to priority sector financing in respect of rural and semi-urban branches inspected by RBI which is as under:—

Year	No. of branches inspected/ visited	No. of irregularities detected	Steps taken to avoid recurrence of such shortcomings
1992	6	119	List of irregularities were sent to controlling offices for rectification and avoidance of the same in future. 126 defects pointed out to branches have been fully rectified. For rectification of the remaining, the matter is being pursued by RBI with the controlling offices.
1993	5	57	
1994	9	184	
Total:	20	360	

5.5 The Committee note that a Special Cell has been created in Banking Division by the Ministry of Finance to monitor the flow of credit to persons belonging to SCs and STs. The Committee feel that adequate number of staff be provided in the Special Cell so that the work pertaining to credit facilities could be done properly. The Committee also recommend that SC/ST Officer should be made in-charge of this Cell who can better take care of the interests of SCs/STs.

5.6 The Committee note with dismay that as a result of RBI inspection a number of shortcomings/irregularities have been found. The Committee recommended that necessary corrective measures should be taken by the Allahabad Bank to remove these shortcomings/irregularities and also ensure that no such shortcomings/irregularities recur in future.

B. Credit Policy

5.7 The Committee were informed that all public sector banks including Allahabad Bank had been advised by the Government to raise the proportion of their credit to priority sector to 40% of their total advances. Direct finance extended to agriculture including allied activities were to reach 18% of their total credit and the advances to weaker sections are to reach a level of 10% of their total credit or 25% of the priority sector advances. It has been stipulated that 1% of the total credit of the previous year of the Banks would be provided at the Different Rate of Interest (DRI) of 4% on Loans upto Rs. 6000/-.

5.8 It was stated that the following category of beneficiaries belong to weaker sections of the community:—

- (a) Small & Marginal Farmers, Landless labourers, Share Croppers etc;
- (b) Artisans, Village & Cottage Industries;

- (c) IRDP beneficiaries;
- (d) Scheduled Castes and Scheduled Tribes;
- (e) DRI beneficiaries.

5.9 The Committee were informed that Allahabad Bank had been implementing all the Government Sponsored Programmes/Schemes for providing financial assistance/credit facilities to Scheduled Caste/Scheduled Tribe beneficiaries. The schemes are listed as under:—

Name of the Programmes/Schemes

1. Integrated Rural Development Programme (IRDP)
2. Differential Rate of Interest (DRI)
3. Prime Minister's Rojgar Yojna (PMRY)
4. Schemes for Urban Micro Enterprises (SUME)
5. Special Component Plan (SCP)
6. Scheme of Liberation and Rehabilitation of Scavengers (SLRS)
7. 20-Point Programme
8. Weaker Section

C. Priority Sector Advances

5.10 As per RBI guidelines, 25% of total Priority Sector Lending should be extended to the weaker sections comprising of SCs/STs. Share Croppers, Agricultural labourers, Small & Marginal Farmers.

The position of Priority Sector Advances of Allahabad Bank as at the end of Dec., 1992, Dec. 1993 & Dec., 1994 is as under:—

Position As on	Total Advances under Weaker Section		Of which share to SCs/STs	
	A/c	Amt.	A/c	Amt.
December'92	8.76 (71.41)	422.57 (28.4)	3.73 (30.4)	169.33 (11.4)
December'93	8.96 (71.6)	427.24 (27.2)	4.02 (32.0)	179.88 (11.4)
December'94	7.78 (20.6)	403.68 (24.8)	3.18 (29.1)	162.49 (9.96)

(Figures in bracket indicate percentage to total Priority Sector Advances).

5.11 The Committee observed that the amount disbursed under total priority sector advances had increased from the year 1992 to 1994 but the

total number of accounts as well as SC/ST accounts under priority sector had decreased from the year 1993 to the year 1994. The reasons stated for such decline in the total number of accounts including those of SCs/STs out of them during December, 1993 to December, 1994 under priority sector advances is was due to recovery and write-off in DICGC claim settled A/cs.

5.12 The Committee enquired whether Allahabad Bank received adequate number of loan applications from SCs/STs and the Zonal/Regional branches were in a position to meet the targets. It was stated that the loan proposals under various schemes are sponsored by the Sponsoring Agencies. Adequate number of loan applications were not received from the Sponsoring Agencies and due to non-receipt of adequate number of applications of SCs/STs beneficiaries, the Zones/Regions were not in a position to achieve the target for financing to SCs/STs.

5.13 The Committee note that the Allahabad Bank has not achieved the target of 10% of the total Bank credit to be given to weaker sections under priority sector. The Committee has been informed that non-receipt of adequate loan applications from SC/ST beneficiaries was the main reasons for not meeting the stipulated targets. The reasons stated by the bank are hardly convincing to the Committee. The Committee, therefore, recommend the Government should review the procedure for sanctioning loan and that all out efforts should be made to improve the performance of the Bank in lending to SCs and STs under these schemes as they are related to self-employment ventures.

5.14 The Committee, also, desire that adequate steps should be taken to give more publicity at the grassroot level by the Bank/Government to improve its performance in lending to SCs and STs under these schemes.

D. Performance of Allahabad Bank in lending to SCs and STs under DRI Scheme

5.15 It has been stated that Differential Rate of Interest Scheme (DRI) is for providing financial assistance at liberalised terms and conditions to the weaker sections of the society. The Terms and Conditions laid down for getting loan under DRI scheme are:—

- (i) The ceiling of family income of the borrower under DRI Scheme is Rs. 6400/- per annum in rural areas and Rs. 7200/- per annum in urban and semi-urban areas.
- (ii) The maximum amount of loan per beneficiary should not exceed Rs. 6500/- including Term Loan and Working Capital Loan.
- (iii) MARGIN : No margin money is required
- (iv) RATE OF INTT. : 4% p.a. (Simple Interest)
- (v) SECURITY : Only hypothecation of assets purchased out of bank loan

5.16 The Amount disbursed under DRI Scheme for each of the last three years in 1992, 1993 and 1994 was under:

(a) AMOUNT DISBURSED UNDER DRI SCHEME

(Account: In Lacs)
(Amount : Rs. in Crores)

Particulars	Dec.'92	Dec.'93	Dec.'94
(i) Amount disbursed under DRI Schemes (Rs.)	34.51	32.87	25.59
(ii) Total number of beneficiaries	1.26	1.21	1.13

(b) SHARE OF SCHEDULED CASTES/SCHEDULED TRIBES

(Account: In Lacs)
(Amount: Rs. in Crores)

Position as on	Share of SCs/STs		% of Total DRI under DRI	
	No. of beneficiaries	Amt.	No. of beneficiaries	Amt.
Dec. 1992	0.63	18.58	50.0*	53.61*
Dec. 1993	0.60	17.89	49.59*	54.42*
Dec. 1994	0.70	14.66	61.95*	57.29*

*Exceeded the Govt. stipulation of 40% both for number of beneficiaries and amount advanced to SCs/STs under DRI.

5.17 It has been observed that there was a steady decline of amount disbursed under DRI Scheme. The reasons for the decline of amount disbursed under DRI Scheme are stated to be as under:

- (i) The DRI Scheme was formulated by the Government of India in 1972 with a view to offering credit at liberalised terms to the weaker sections of the society. Subsequently with the launching of other poverty alleviation programmes like IRDP, SUME, PMRY etc. with subsidy components, the DRI Scheme has lost its importance to some extent.
- (ii) With the introduction of IRDP, SUME, PMRY etc. the beneficiaries of these schemes are ineligible to be covered under DRI.
- (iii) The borrowers are mainly interested for the subsidy oriented schemes such as IRDP, SUME, PMRY etc.

5.18 The Committee note that there is a substantial decline of amount disbursed under the DRI Scheme and the percentage of share of SC/ST beneficiaries has also declined in December, 1993 to December, 1994. With regard to the reasons for the decline, the Committee have been informed that the DRI Scheme is formulated by the Government of India in 1972 with a view to offering credit at liberalised terms to the Weaker Sections of the society. The Committee note that with the launching of other poverty alleviation programmes like IRDP, SUME, PMRY etc. with subsidy components, the DRI schemes has lost its importance to some extent and the beneficiaries of these schemes are ineligible to be covered under DRI. The borrowers are mainly interested for the subsidy oriented schemes such as IRDP, SUME, PMRY etc. The Committee desire that the Bank should make concerted efforts to reach the prescribed targets under DRI. The Committee also recommend that DRI advances should be routed through Cooperative Societies/LAMPs etc.

E. Performance of Allahabad Bank in regard of various scheme being operated for providing credit facilities to SCs/STs.

5.19 The Committee were informed that the Government/RBI has stipulated under mentioned norms for providing financial assistance to the persons belonging to SC/ST communities in implementing various Government sponsored programmes/schemes.

Sl. No.	Name of the Schemes Programme	Govt. Norm	Bank Share to SC/ST (%) as on 31.3.1995
1.	Special Component Plan (SCP)	100%	100.00%
2.	I.R.D.P.	50%	34.21%
3.	D.R.I.	40%	58.08%
4.	P.M.R.Y.	22.5%	6.06%
5.	Scavengers (SLRS)	—	100.00%
6.	S.U.M.E.	—	28.03%
7.	Weaker Sections	—	42.24%

5.20 In response to query by the Committee regarding the total amount earmarked and the actual amount disbursed by Allahabad Bank for extending credit facilities to Scheduled Castes and Scheduled Tribes during the years 1993, 1994 and 1995 and the number of SC/ST beneficiaries, it was stated that there was no ceiling/bar for extending credit to SC/ST beneficiaries.

5.21 As per the statement furnished to the Committee regarding the State-wise and Year-wise disbursement of loans to SC/ST beneficiaries during 1992-93, 1993-94 and 1994-95 it was stated that out of the total

amount 14,92,936 (Rs. in thousand) the share of SCs and STs was 2,41,283 in (1992-93), out of 12,67,250 the share of SCs and STs was 2,31,797 in (1993-94) and in 1994-95 the amount provided to SCs and STs was 2,23,270.

5.22 It is observed from the above that the total No. of SC/ST beneficiaries as well as the amount disbursed to SCs/STs have declined during 1994 to 1995.

5.23 The Committee were furnished the statement regarding the performance of various Schemes implemented by the Allahabad Bank for the benefit and upliftment of SCs/STs which is as under:

Programmes/ Schemes	Govt. Norm	Total Outstanding		Of which to SCs/STs		Percentage share to SCs/STs	
		A/c	Amt.	A/c	Amt.	A/c	Amt.
Special Component							
Plan	100%	0.49	15.43	0.49	15.43	100.00%	100.00%
I.R.D.P.	50%	4.23	192.41	1.64	65.78	38.77%	34.19%
D.R.I.	40%	0.99	23.22	0.62	12.75	62.63%	54.91%
P.M.R.Y	22.5%	0.05	26.90	0.05	2.86	10.00%	10.63%
SLRS	—	0.02	2.30	0.02	2.28	100.00%	99.13%
S.U.M.E.	—	0.25	17.73	0.05	3.58	20.00%	20.19%
20-Point Programme	—	7.68	669.27	2.83	138.18	36.84%	20.65%
Weaker Sections	—	7.37	414.20	3.41	164.20	46.27%	39.64%

5.24 The performance of Allahabad Bank in respect of credit extended to SC/ST beneficiaries and others at the end of March, 1994 and March 1995 is given below:

Category of Advances	Target	OUTSTANDING ADVANCES							
		Total O/s Advances				O/s Advances to SC/ST			
		March 1994		March 1995		March 1994		March 1995	
		A/c	Amt.	A/c	Amt.	A/c	Amt.	A/c	Amt.
1	2	3	4	5	6	7	8	9	10
Priority Sector	40	11.35	1616 (39.3)	10.06	1575 (34.5)	3.43	175	3.56	169
Agriculture									
(a) Direct	18	5.29	628 (15.3)	4.31	559 (12.2)	1.38	79	1.53	72

1	2	3	4	5	6	7	8	9	10
(b) Indirect	Nil	0.03	50	0.02	35	0.01	0.3	0.00	0.48
Small Scale Industries	Nil	1.65	592	1.66	645	0.40	25	0.52	29
Weaker Section	10	7.92	420 (10.2)	7.58	387 (8.5)	3.43	175	3.56	169
DRI Advances	1	1.00	30 (0.78)	1.15	28 (0.68)	0.55	19	0.66	14

Note:— Figures in brackets indicate % to total bank credit.

5.25 It was observed that there was decrease in the total number of beneficiaries as well as the total number of SC/ST beneficiaries among them during March, 1994 to March, 1995 under priority sector advances.

5.26 The reason for the decrease in the total number of beneficiaries during the year 1994-95 was stated to be due to recovery and write-off DICGC claim settled A/cs.

5.27 The Committee wanted to know how the performance of various schemes was checked since the activity-wise data was not collected and what were the major Schemes/projects for which loans were provided. In reply the following statement was given:—

“The activity-wise performance is reviewed at the field level and also at the Regional/Zonal Office level. Accordingly, necessary measures for further promotion of activities or change of activities are taken. The major employment or projects for which loans were provided are as under:

- (i) Agriculture
- (ii) House Dairy
- (iii) Poultry
- (iv) Small Business & Retail Trade
- (v) Village and Cottage Industries.”

5.28 The Committee observe that the performance of various schemes implemented by the Allahabad Bank for the benefit and upliftment of SCs/STs and the share of SC/ST under IRDP was 50% but the latest performance works out to be 34.19%. The performance under P.M.R.Y. was 10.63% while the target was 22.5%. The Committee note that non-receipt of adequate loan applications from SC/ST beneficiaries was the main reason for not meeting the target. The Committee also note with dismay that the total amount of disbursement of loan made by the Allahabad Bank under the total priority sector have come down from 1992 to 1994 and the targets laid down for SCs/STs under these schemes have not been achieved. The Committee recommend the Allahabad Bank to improve upon its performance in lending to SCs/STs with all credit schemes and allout efforts should be made to achieve the targets under total priority sector loans.

5.29 The Committee also recommend that an evaluation study should be conducted by the RBI to ascertain whether the criteria fixed for extending credit assistance to SC/ST beneficiaries under different schemes is adequate.

F. Housing Loan for Scheduled Castes/Scheduled Tribes

5.30 The Committee were informed that in terms of Govt. of India/ Reserve Bank of India guidelines the direct house building advances may be allowed to SC/ST beneficiaries upto Rs. 5000/- at concessional rate of interest at 4% p.a.

5.31 As regards the total amount of direct housing loan granted by Allahabad Bank to SCs/STs during May, 1993 to March, 1995 the Committee were furnished the following statement:

MARCH 1993		MARCH 1994		MARCH 1995	
A/C	AMOUNT	A/C	AMOUNT	A/C	AMOUNT
415	146.77	242	24.52	247	56.27

5.32 As regards the reasons for decline of disbursed amount to SC/ST beneficiaries the Committee were informed that it was due to non-receipt of adequate number of applications from SC/ST persons.

5.33 The Committee note that there is no separate target for SCs/STs under Direct Housing Scheme. The Committee regret to note that the limit of Rs. 5000/- for housing loan which was fixed several years back has not been increased inspite of substantial increases in prices. The Committee have also observed that there is a steady decline in the amount disbursed to SC/ST beneficiaries during March 1993 to March 1994. The reason for the decline is stated to be non-receipt of adequate number of applications from SC/ST persons. The Committee feel that the limit of the amount of Rs. 5000/- should be increased suitably to make it more attractive.

G. Educational Loan Scheme

5.34 It was submitted to the Committee that the Allahabad Bank was providing Education Loan to the students of merit belonging to SC/ST going for higher education who do not get scholarships/maintenance grants from Government or educational authorities, subject to satisfaction of family income norms under DRI Scheme.

5.35 The performance of the bank in extending credit to SC/ST students under Education Loan during 1992 to 1995 is given below:

No. of beneficiary	Category	1992-93 Amount sanctioned	Date of sanction
1	S.C.	RS. 30000	Oct., 92

5.36 It was reported that the above student was granted Education Loan for doing his B.E. from Malvia Engineering College at Jaipur in Rajasthan.

Year	No. of beneficiaries	Amount Sanctioned
1993-94	2	Rs. 70,000/-
1994-95	2	Rs. 45,000/-

5.37 It is observed that the number of borrowers is not satisfactory. Asked about the reasons for dismal performance it was replied that the Bank had not received adequate number of loan proposals under Educational Loan from SC/ST candidates. The reason for this may be that SC/ST students were not fully aware of the bank's scheme. It was elaborated that adequate publicity of the scheme by the branches may improve the position.

5.38 The Committee note with dismay that during 1992—1995 only five students belonging to SC Community availed of the loan facility provided under Educational Loan Scheme. This gives a very poor picture of representation of SCs/STs under the Scheme. The Committee feel that the number of borrowers under Educational Loan is not satisfactory. The Committee note that Allahabad Bank has not received adequate number of loan proposals under Educational Loan from SC/ST candidates. The Committee also note that SC/ST students are not fully aware of the bank's scheme as adequate publicity of the scheme has not been given by the Bank. The Committee, therefore, strongly recommend that wide and intensive publicity of the Educational Loan scheme should be given by the bank to ensure that it reaches the SC/ST masses and the performance of the bank in this regard is increased. The Committee also recommend that the bank should consider giving further concessions/relaxation in favour of students belonging to SCs and STs so as to make Educational Loan Scheme more popular to them.

CHAPTER VI
OTHER MATTERS
A. Loan Applications

6.1 It was stated that Allahabad Bank is maintaining loan application register in all its Branches. In the loan application register, a separate column is maintained for Scheduled Castes and Scheduled Tribes. As regards the loan applications received from SCs and STs the following statement was furnished to the Committee.

(i) No. of loan application received	: 41748	} For the Year 1993-94
(ii) No. of loan application sanctioned	: 36560	
(iii) No. of loan application rejected	: 4082	
(iv) No. of loan applications pending as on 1.01.1995.	: 705	

6.2 On being asked whether there was any machinery to review and reconsider the loan application it was stated in a written note:—

“Yes, the branches are not authorised to reject the loan proposals received from SC/ST people. In case any application is found not suitable for sanctioning as per prescribed norms, it is required to be referred to the Regional Office/Zonal Office alongwith their views. Regional Office/Zonal Office may consider such cases on merit.”

6.3 In reply to a query whether the viability of the project is decided on the basis of survey after getting application or it is decided on the basis of pre-experience regarding the project, it was submitted:

“The cases are rejected wherever so warranted considering all relevant aspects of viability, aptitude and experience.”

6.4 The Committee note that so far no study has been undertaken to find out the main reasons for rejection of loan applications. The Committee, therefore, recommend that the Bank should conduct indepth study to encourage SC/ST people to increase the flow of credit to them which would definitely have impact on the socio-economic development of the poor masses. The Committee also recommend that the loan applications should be considered on relaxed conditions so as to accommodate maximum number of SC/ST beneficiaries.

B. Recovery position of loans under Different Schemes from SCs/STs

6.5 It was stated that there was no information or system for obtaining recovery performance exclusively for SCs/STs.

6.6 The Percentage of recovery of overdue loans from SC/ST borrowers and from others under DRI Scheme were as under:

	March, 93	March, 94	March, 95
(i) % of Recovery from SC/ST borrowers under DRI Scheme	48.00%	61.00%	65.00%
(ii) % of Recovery from others under DRI Scheme	28.00%	48.00%	46.00%
(iii) Total % of Recovery under DRI Scheme	35.42%	53.00%	55.00%

6.7 The reasons for delay in Recovery of overdue loans or non-recovery of loans were stated as:

- (i) Insufficient forward and backward linkages relating to the project financed.
- (ii) Factors beyond the control of the borrowers such as drought, flood etc., and
- (iii) Wilful default.

6.8 When asked about the percentage of non-recovery of loans from SC/ST borrowers and from others under each of the above mentioned reasons during the year 1993 to 1995 and the action/proposed to be taken against those wilful defaulters, it was stated in a post evidence information that:

“No such categorywise data is maintained regarding percentage of Non-recovery of loans from SC/ST borrowers and from others. The Bank pursue the matter of recovery of loans through the sponsoring agency/Govt. Deptt. in respect of wilful defaulters. When these efforts fail, legal actions are initiated for recovery of loans.”

6.9 When the Committee desired to know that in the case of drought, flood etc., what facilities/concessions are provided to SC/ST for payment of loans. It was submitted as under:

- (i) Short term loans are converted to working capital term loan repayable in suitable instalments; and
- (ii) Need based fresh credit are provided to the flood/drought affected people.”

6.10 The Committee observe that there is no system of maintaining category-wise data regarding percentage of Non-recovery of loans from SC/ST borrowers and from others under all the schemes except that under the

DRI Scheme. The Committee feel that with the technology available at the disposal of the Bank there should not be any difficulty in maintaining such information. The Committee desire that information regarding the recovery position both in the case of general as well as SC/ST borrowers should be maintained so as to bring out a clear picture of recovery position under different Schemes.

6.11 The Committee also note that the recovery position from SC and ST borrowers was better than the borrowers from the general category under DRI. The Committee suggest that in the Annual Reports of the Banks the recovery position from the SC and ST borrowers should be highlighted so that these schemes would gain more support from these communities.

C. Advances to Small Scale Industry

6.12 As regards the total advances given by Allahabad Bank to Small Scale Industries and the share of SC/ST as on March 31, 1995 the following statement was furnished to the Committee.

(Account: in Lacs)

(Account: Rs. in Crores)

Particulars	Account	Amount
Total advances to S.S.I.	1.66	644.50
Share of SC/ST in total S.S.I.	0.54	25.30
Percentage share of SCs/STs	32.53%	3.93%

6.13 It is observed from the table that out of the total advances given by the bank to SSI and rural artisans only 3.93% has been given to SCs/STs. The reasons stated for disbursing such a small amount of loan to SCs/STs were non receipt of sufficient proposals from the SSI/Rural Artisans Sector.

6.14 The Committee pointed out that the amount disbursed to SCs and STs was very small and when they sought the reasons thereof, it was stated that the "Amount of loan per account in case of SC/ST borrower under various Govt. Sponsored Schemes in disproportionate taking into consideration the quantum of margin money and subsidy ranging between 50 to 70 per cent available in comparison to the other beneficiaries. The disbursement of loan proposals has a direct bearing on the number of applications sponsored by the Sponsoring Authorities. Due to non-receipt of sufficient proposals from the SSI/Rural artisan sector the position could not be improved."

6.15 The Committee note that out of the total amount given to small scale industries and rural artisans only 3.93% has been given to SCs and STs and the reasons for the same are stated to be non-

receipt of sufficient proposals from the SSI/Rural Artisan Sector. The Committee feel unhappy about the poor representation of SC/ST under the loan scheme to Rural artisans and Small Scale Industries. The Committee would like the Bank to make concerted efforts to popularise these credit schemes among people belonging to SCs and STs. The Committee also suggest that before disbursing loans to Rural Artisans and Small Scale Industries, some sort of training for the prospective borrowers should be given so as to make these proficient in handling the job. The Committee recommend that the Allahabad Bank should make allout efforts to make SC/ST people aware of these credit schemes.

D. Orientation and Training Programme for Officers regarding Socio-economic Development of Scheduled Castes/Scheduled Tribes at Branch Level.

6.16 It was stated that in the Rural/Semi-Urban Branch Management and Credit Delivery Programme sessions were included for disbursement of loans to weaker sections of the community including SCs/STs as per table below:—

Rural/Semi-Urban branch Management & Credit Delivery Programmes

Years	Number of officer participants	Out of which	
		SC	ST
1992-93	201	19	7
1993-94	143	17	5
1994-95	141	18	7

6.17 The Bank participates effectively in various schemes/programmes meant for SCs/STs for their socio-economic development. No separate scheme has been launched by the Bank. However the Bank earlier brought out one leaflet meant for Scheduled Tribes.

6.18 In reply to a query whether there was any proposals to give incentive to Branch Managers for working in rural and semi-urban areas where they have greater scope to serve the weaker sections, it was submitted that one such proposal was forwarded to the Reserve Bank of India by the Allahabad Bank for consideration.

6.19 The Committee note with appreciation that Allahabad Bank have proposed to the Reserve Bank of India to give incentive to Branch Managers for working in rural and semi-urban areas, which, the Committee feel,

would help in mobilising more officers to work in rural and semi-urban areas they have greater scope to serve the weaker sections. The Committee also desire that Allahabd Bank should keep up this tempo in future also.

NEW DELHI;
December, 1996

Agrahayana, 1918 (Saka)

KHAGAPATI PRADHANI
Chairman,
Committee on the Welfare of
Scheduled Castes and
Scheduled Tribes.

APPENDIX

(Vide para 4 of introduction)

Summary of Conclusions/Recommendations contained in the Report

Sl. No.	Para No.	Conclusions/Recommendations
1	2	3
1.	1.7	The Committee note with concern that at present there is no SC/ST member in the Board of Directors of the Allahabad Bank despite the fact that two posts for Directors are vacant. The Committee are of the view that the appointment of a person belonging to Scheduled Castes/Scheduled Tribes on the Board of Directors of nationalised Banks including Allahabad Bank should always be considered in future and they may also be informed of the same.
2.	2.7	The Committee note with concern regarding the shortfall in recruitment of Scheduled Castes and Scheduled Tribes. The reasons for the shortfall are attributed to non-availability of suitable candidates and the uneven spread of population in certain areas, and also poor mobility of STs to other areas etc. are hardly convincing to the Committee. The Committee recommend that the Government should make concerted efforts to wipe out the shortfall of SCs/STs in all the categories of posts by conducting repeated special recruitment drives. The Committee also recommend that the bank should formulate a perspective plan for the future recruitments (including special recruitments) for selection of candidates to various categories of posts and by allowing more concessions/relaxations to SC/ST candidates.
3.	2.14	The Committee note with concern that inspite of various concessions/relaxations to SCs and STs there is still shortfall of 10 SCs and 7 STs in promotion

1

2

3

from sub-staff to clerical cadre during 1994. The usual plea of non-availability of suitable/eligible candidates belonging to these categories is hardly convincing. The Committee desire that Allahabad Bank should clear the shortfall in promotions in respect of SCs & STs at the earliest by giving further relaxation so that the shortfall could be wiped out. The Committee also recommend that to overcome the shortfalls, the promotional posts should be filled up by diverting the posts to direct recruitment for SCs and STs only.

4. 2.15

The Committee find that SC/ST candidates are being imparted necessary pre-promotional training and relaxation is provided to them in the eligibility criteria. The Committee appreciate the efforts made by the Allahabad Bank for reducing the shortfall in the promotional posts. The Committee hope that the Bank will continue their sincere efforts to wipe out the shortfall of SCs/STs

5. 3.11

The Committee note that the Bank have nominated Chief Liaison Officer for SCs/STs at Head Office and also Liaison Officers in its zonal and regional offices to ensure due compliance of the order and instructions pertaining to reservation in favour of SCs/STs and other concessions admissible to them. The Committee is of the opinion that the Chief Liaison Officer should conduct periodical meetings with the Liaison Officers of the Regions/ Zones to exchange views about their common problems to avoid any controversy in the implementation of reservation orders.

6. 3.16

The Committee note that the Liaison Officer posted at Zonal/Regional offices use to meet the Zonal/Regional level representatives of SC/ST Welfare Council on quarterly and half-yearly intervals to redress the grievances of SC/ST Employees. The Committee further note that on receipt of a complaint it is diarised in the complaint register. The Committee desire that the time taken in disposing of the complaints should be mentioned in the complaint register.

7. 3.17

The Committee also desire that action taken on the complaints/grievances should also be indicated in the register and checked and countersigned by the Liaison Officer of the Banking Division periodically.

1	2	3
8.	4.8	The Committee note that Pre-Recruitment training is imparted to SC/ST candidates to enhance their ability to face the interview boards. The Committee feel that the present duration of six days for pre-recruitment as well as for interviews is insufficient. The Committee therefore, recommend that the duration of pre-recruitment training should be suitably increased to make it more rewarding.
9.	5.5	The Committee note that a Special Cell has been created in Banking Division by the Ministry of Finance to monitor the flow of credit to persons belonging to SCs and STs. The Committee feel that adequate number of staff be provided in the Special Cell so that the work pertaining to credit facilities could be done properly. The Committee also recommend that an SC/ST Officer should be made in-charge of this Cell who can better take care of the interests of SCs/STs.
10.	5.6	The Committee note with dismay that as a result of RBI inspection a number of shortcomings/irregularities have been found. The Committee recommended that necessary corrective measures should be taken by the Allahabad Bank to remove these shortcomings/irregularities and also ensure that no such shortcomings/irregularities recur in future.
11.	5.13	The Committee note that the Allahabad Bank has not achieved the target of 10% of the total Bank credit to be given to weaker sections under priority sector. The Committee has been informed that non-receipt of adequate loan application from SC/ST beneficiaries was the main reason for not meeting the stipulated targets. The reasons stated by the bank are hardly convincing to the Committee. The Committee, therefore, recommend the Government should review the procedure for sanctioning loan and the that all out efforts should be made to improve the performance of the Bank in lending to SCs and STs under these schemes as they are related to self-employment ventures.
12.	5.14	The Committee, also, desire that adequate steps should be taken to give more publicity at the grass root level by the Bank/Government to improve its performance in lending to SCs and STs under these schemes.

1	2	3
13.	5.18	<p>The Committee note that there is a substantial decline of amount disbursed under the DRI Scheme and the percentage of share of SC/ST beneficiaries has also declined in December, 1993 to December, 1994. With regard to the reasons for the decline, the Committee have been informed that the DRI Scheme is formulated by the Government of India in 1972 with a view to offering credit at liberalised terms to the Weaker Sections of the society. The Committee note that with the launching of other poverty alleviation programmes like IRDP, SUME, PMRY etc. with subsidy components, the DRI schemes has lost its importance to some extent and the beneficiaries of these schemes are ineligible to be covered under DRI. The borrowers are mainly interested for the subsidy oriented schemes such as IRDP, SUME, PMRY etc. The Committee desire that the Bank should make concerted efforts to reach the prescribed targets under DRI. The Committee also recommend that DRI advances should be routed through Cooperative Societies/LAMPs etc.</p>
14.	5.28	<p>The Committee observe that the performance of various schemes implemented by the Allahabad Bank for the benefit and upliftment of SCs/STs and the share of SCST under IRDP was 50% but the latest performance works out to be 34.19%. The performance under P.M.R.Y. was 10.63% while the target was 22.5%. The Committee note that non-receipt of adequate loan applications from SCST beneficiaries was the main reason for not meeting the target. The Committee also note with dismay that the total amount of disbursement of loan made by the Allahabad Bank under the total priority sector have come down from 1992 to 1994 and the targets laid down for SCs/STs under these schemes have not been achieved. The Committee recommend the Allahabad Bank to improve upon its performance in lending to SCs/STs with all credit schemes and allout efforts should be made to achieve the targets under total priority sector loans.</p>
15.	5.29	<p>The Committee also recommend that an evaluation study should be conducted by the RBI to ascertain whether the criteria fixed for extending credit assistance to SCST beneficiaries under different schemes is adequate.</p>

1	2	3
16	5.38	<p>The Committee note with dismay that during 1992-1995 only five students belonging to SC Community availed of the loan facility provided under Educational Loan Scheme. This give a very poor picture of representation of SCs/STs under the Scheme. The Committee feel that the number of borrowers under Educational Loan is not satisfactory. The Committee note that Allahabad Bank has not received adequate number of loan proposals under Educational Loan from SCST candidates. The Committee also note that SCST students are not fully aware of the bank's scheme as adequate publicity of the scheme has not been given by the Bank. The Committee, therefore, strongly recommend that wide and intensive publicity of the Educational Loan scheme should be given by the bank to ensure that it reaches the SCST masses and the performance of the bank in this regard is increased. The Committee also recommend that the bank should consider giving further concessions/relaxation in favour of students belonging to SCs and STs so as to make Educational Loan Scheme more popular to them.</p>
17	6.4	<p>The Committee note that so far no study has been undertaken to find out the main reasons for rejection of loan applications. The Committee, therefore, recommend that the Bank should conduct indepth study to encourage SCST people to increase the flow of credit to them which would definitely have impact on the socio-economic development of the poor masses. The Committee also recommend that the loan applications should be considered on relaxed conditions so as to accommodate maximum number of SCST beneficiaries.</p>
18.	6.10	<p>The Committee observe that there is no system of maintaining category-wise data regarding percentage of Non-recovery of loans from SCST borrowers and from others under all the schemes except that under the DRI Schemes. The Committee feel that with the technology available at the disposal of the Bank there should not be any difficulty in maintaining such information. The Committee desire that information</p>

1**2****3**

regarding the recovery position both in the case of general as well as SCST borrowers should be maintained so as to bring out a clear picture of recovery position under different Schemes.

19. 6.11 The Committee also note that the recovery position from SC and ST borrowers was better than the borrowers from the general category under DRI. The Committee suggest that in the Annual Reports of the Banks the recovery position from the SC and ST borrowers should be highlighted so that these schemes would gain more support from these communities.
20. 6.15 The Committee note that out of the total amount given to small scale industries and rural artisans only 3.93% has been given to SCs and STs and the reasons for the same are stated to be non-receipt of sufficient proposals from the SSI/Rural Artisan Sector. The Committee feel unhappy about the poor representation of SCST under the loan scheme to rural artisans and Small Scale Industries. The Committee would like the Bank to make concerted efforts to popularise these credit schemes among people belonging to SCs and STs. The Committee also suggest that before disbursing loans to Rural artisans and Small Scale Industries, some sort of training for the prospective borrowers should be given so as to make them proficient in handling the job. The Committee recommend that the Allahabad Bank should make allout efforts to make SCST people aware of these credit schemes.
21. 6.19 The Committee note with appreciation that Allahabad Bank have proposed to the Reserve Bank of India to give incentive to Branch Managers for working in rural and semi-urban areas, which, the Committee feel, would help in mobilising more officers to work in rural and semi-urban areas where they have greater scope to serve the weaker sections. The Committee also desire that Allahabad Bank should keep up, this tempo in future also.
-

© 1996 BY LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Eighth Edition) and printed by the Manager, P.L. Unit, Government of India Press, Minto Road, New Delhi-110002.
