

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6183
ANSWERED ON:05.05.2000
SALARIES OF IDBI STAFF
SANJAY PASWAN

Will the Minister of FINANCE be pleased to state:

(a) whether the wages, allowances and other benefits being paid to the staff of all the Public Sector Banks and Financial Institutions viz., EXIM Bank, National Bank for Agricultural and Rural Development (NABARD), Industrial Development Bank of India (IDBI), Unit Trust of India (UTI), Industrial Finance Corporation of India (IFCI) and Industrial and Investment Bank of India (IIBI) are at par with the Staff of Reserve Bank of India (RBI);

(b) if not, the reasons therefor;

(c) if so, whether the Pension Scheme has also been introduced in all these institutions on the lines of RBI;

(d) if so, whether the Management of IDBI has decided to increase the wages of its staff at least double and approached the Banking Division of his Ministry for approval to delink the wages structure of the staff of IDBI with RBI;

(e) if so, the details thereof; and

(f) the Government's stand on this issue?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) and

(b) The wages, allowances and other benefits payable to the officers/employees of Public Sector Banks are decided in pursuance of understandings/settlements reached by the officers' associations/workmen unions with the Indian Banks' Association representing the banks' managements. Export-Import Bank of India also broadly follows the pay and allowances applicable to Public Sector Banks. The financial institutions like NABARD, IDBI, UTI and IBI follow the pattern of pay and allowances adopted by Reserve Bank of India. As the IFCI Limited is a public limited company incorporated under the Companies Act, the wages and allowances and other benefits being paid to its staff are decided by their board of directors and the same at present are generally on the lines of IDBI.

(c) A pension scheme in lieu of Contributory Provident Fund has been introduced in all the Public Sector Banks (except State Bank of India which was already having a pension scheme), on the lines of pension scheme in Government. However, pension scheme in NABARD and IDBI is on the lines existing in RBI. In the case of IFCI Ltd., the pension scheme was decided by the board of directors. Pension scheme is yet to be introduced in EXIM Bank and IBI Limited.

(d) to (f) Government had received a proposal from IDBI vide their communication dated June 1996 for revised wage structure for its officers on the basis of package then prevalent in ICICI. The matter was examined and it was felt that it would not be desirable to consider higher pay package for one Government owned financial institution as the same may have repercussions on other public sector financial institutions/banks.