

**COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES
(2001-2002)**

THIRTEENTH LOK SABHA

FIFTEENTH REPORT

**MINISTRY OF FINANCE
(BANKING DIVISION)**

**[Action taken by the Government on the recommendations contained in the
Fifteenth Report (Thirteenth Lok Sabha) of the Committee on the Welfare of
Scheduled Castes and Scheduled Tribes on Ministry of Finance (Banking
Division)—Reservation for the employment of Scheduled Castes and
Scheduled Tribes in State Bank of Patiala and credit facilities provided by
the Bank to them]**



**Presented to Lok Sabha on 27.7.2001
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**LOK SABHA SECRETARIAT
NEW DELHI**

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COMPOSITION OF THE COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND SCHEDULED TRIBES (2001-2002)

Shri Kariya Munda — *Chairman*

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- | | | |
|-----------------------|---|------------------------|
| 1. Shri B.R. Kanathia | — | <i>Joint Secretary</i> |
| Shri Shiv Singh | — | <i>Under Secretary</i> |

*Ceased to be Member of the Committee on his resignation from the Rajya Sabha w.e.f. 18th May, 2001.

INTRODUCTION

I, the Chairman of the 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 Fifteenth Report (Thirteenth Lok Sabha) on Action Taken by Government on the recommendations of the Committee contained in their Fifth Report (13th Lok Sabha) on the Ministry of Finance (Banking Division) regarding—Reservation for and Employment of Scheduled Castes and Scheduled Tribes in State Bank of Patiala and credit facilities provided by the Bank to them.

2. The Draft Report was considered and adopted by the Committee on 15th May, 2001.

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

CHAPTER I Report.

CHAPTER II Recommendations/Observations which have been accepted by the Government.

CHAPTER III Recommendations/Observations which have the Committee do not desire to pursue in view of replies of the Government.

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

CHAPTER V Recommendations/Observations in respect of which final replies of the Government have not been received.

4. An analysis of the Action Taken by the Government on the recommendations contained in the 5th Report of the Committee is given in the Appedix. It would be observed therefrom the out of 29 recommendations made in the Report, 12 recommendations *i.e.* 41% have been accepted by the Government. The Committee do not desire to pursue 8 recommendations *i.e.* 28% of the total recommendations in view of the Government's replies. There are 2 recommendations *i.e.* 7% in respect of which replies of Government have not been accepted by the Committee and require further reiteration. In respect of 7 recommendations *i.e.* 24% final replies of the Government have not been received.

NEW DELHI
1 July, 2001

2 Sravana, 1923 (Saka)

KARIYA MUNDA,
Chairman,
Committee on the Welfare of
Scheduled Castes and
Scheduled Tribes.

CHAPTER I

REPORT

1.1 This Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes deals with the action taken by the Government on the recommendations contained in the fifth Report (Thirteenth Lok Sabha) on the Ministry of Finance, Department of Economic Affairs (Banking Division) regarding — Reservation for and Employment of Scheduled Castes and Scheduled Tribes in the State Bank of Patiala and credit facilities provided by the Bank to them.

1.2 The Fifth Report was presented to Lok Sabha on 20.4.2000 it contained 29 recommendations/observations. Replies of the Government in respect of these recommendations/observations have been examined and may be categorised as under:—

- (i) Recommendations/observations which have been accepted by the Government (Sl. Nos. 1, 2, 3, 4, 7, 14, 23, 24, 25, 26, 27, 28.)
- (ii) Recommendations/observations which the Committee do not desire to pursue taking into consideration the replies of the Government (Sl. Nos. 5, 6, 8, 17, 19, 20, 21, 22).
- (iii) Recommendations/observations replies to which have not been accepted by the Committee and which need reiteration (Sl. Nos. 9, 10).
- (iv) Recommendations/observations in respect of which final replies have not been received (Sl. Nos. 11, 12, 13, 15, 16, 18, 29).

1.3 The Committee will now deal with those Action Taken Replies of the Government which need reiteration and comments.

STAFF STRENGTH AND SHORTFALL

(Recommendation Sl. No. 2, Para No. 2.9)

1.4 In Para 2.9 of the Fifth Report (Thirteenth Lok Sabha) the Committee had recommended that Government should make concerted efforts to wipe out the shortfall of SCs/STs in all categories of posts by conducting repeated Special Recruitment Drives by giving further relaxations so that the shortfall could be wiped out.

Reply of the Government

1.5 The Ministry of Finance, Department of Economic Affairs (Banking Division) in their Action Taken Reply stated that shortfall is due to allotment of inadequate number of ST candidates by BSRBs. In the Bank's

major area of operation, which comprises of the States of Punjab, Haryana, Delhi and Chandigarh, population of ST is negligible. However, bank will be making concerted efforts to clear the backlog by conducting Special Recruitment Drives.

Comments of the Committee

1.6 The Committee are not satisfied with the casual approach of State Bank of Patiala to clear the backlog. The Committee desire that State Bank of Patiala authorities should pursue the matter with BSRBs and Employment Exchange Vigorously and impress upon them the urgency of their requirement to that requisite number of SC/ST candidates are made available to them. The Committee would also like to be filled up the backlog immediately and apprised of the latest position of the backlog.

(Recommendation Sl. No. 2, Para No. 2.10)

1.7 The Committee had strongly recommended that the State Bank of Patiala should clear the backlog in all the categories expeditiously and they may be apprised of the latest position.

Reply of the Government

1.8 All out efforts are made to clear the backlog in all the categories expeditiously. Latest position showing recruitment made by the Bank during the year ending 31.12.1999 is as under:—

Cadre	Backlog carried forward from previous year		Post reserved during the year		Posts filled during the year		Total backlog at the end of year	
	SC	ST	SC	ST	SC	ST	SC	ST
Officers	—	03	04	02	04	—	—	05
Clerical	10	—	43	03	51*	04	08*	—
Sub-staff	04	06	04	1	04**	—	-6**	06

Comments of Committee

1.9 The committee appreciate the efforts made by the State Bank of Patiala for clearance of the SC/ST backlog, but constrained to note that no all out efforts have been made to fill up the backlog of ST vacancies in officers and sub-staff grade. The Committee recommend that the State Bank of Patiala should make all out efforts immediately to wipe out the backlog of STs in officers and sub-staff within a period of six months and also apprise the Committee of the latest position of backlog.

* 6 posts of SCs have been filled in excess of reservation, one in Haryana and 5 in the State of Punjab against ST posts through the rule of exchange of vacancies.

** 2 posts of SCs have been filled excess of reservation, one each in the State of Delhi and Haryana against ST posts through the rule of exchange of vacancies.

The backlog in ST category is because of non-availability of STs in Bank's area of operation, i.e. the States of Punjab, Haryana, UT of Delhi and Chandigarh.

PROMOTIONS

(Recommendation Sl. No. 6, Para No. 2.19)

1.10 In para 2.19 of the Fifth Report the Committee had recommended that SCs/STs should be given promotion by giving them concession in the criteria determined for promotion so that SC/ST shortfall could be wiped out at the earliest.

Reply of the Government

1.11 Recently Government has issued circulars (a) restoring the relaxations/concessions provided to SCs and STs in minimum qualifying marks/lesser standards of evaluation which existed prior to July, 1997 (*vide* letter No. 1/16/2000-SCT(B) dated 9.11.2000) and (b) to treat the past backlog separately as a distinct group and non-applicability of 50% ceiling thereon thereby paving the way for special recruitment drives which had been stopped for the past two years (*Vide* letter No. 1/10/2000-SCT (B) dated 3.8.2000). With this steps will be taken by banks to wipe out the shortfall in the representation of SCs/STs in promotional posts.

Comments of the Committee

1.12 The Committee strongly feel that the latest order for treating the past backlog separately should be implemented in letter and spirit by the Bank. The Committee would like to be apprised of the outcome of the steps taken by State Bank of Patiala in this regard and also the latest position of SC/ST shortfall.

COMPLAINTS/GRIEVANCES

(Recommendation Sl. No. 9, Para 3.13)

1.13 The Committee had desired 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.

Reply of the Government

1.14 As per rule, only the Liaison Officer for SCs/STs of the Bank is required to countersign the complaints/grievances register periodically. There is no rule providing for countersigning of the same by the Chief Liaison Officer of Banking Division.

Comments of the Committee

1.15 The Committee are not convinced with the reply of the Government. They would like to reiterate their earlier recommendation. The Committee also desire that it should be made mandatory countersigning complaints/grievances register periodically by the Chief Liaison Officer of the Ministry of Finance (Banking Division) by amending existing rules. This will prove as deterrent for Liaison Officer if grievances/complaints of SC/ST employees are not disposed of properly.

ACCOMMODATION

(Recommendation Sl. No. 10, Para No. 3.14)

1.16 In their Fifth Report (Thirteenth Lok Sabha) Committee had recommended that instead of paying the House Rent Allowance the Bank should hire suitable accommodation for SC/ST employees in all the categories and allot the same to them on usual terms and conditions.

Reply of the Government

1.17 As per service conditions all employees in clerical and sub-staff cadre including SCs/STs are not provided bank quarters at any place. However, SCs/STs in officer cadre are provided bank quarters at par with officers in General category.

Comments of the Committee

1.18 The Committee are not satisfied with the reply of Ministry and desire that Government should make earnest efforts to provide suitable accommodation to all employees in clerical and sub-staff cadre including SCs/STs by amending service conditions otherwise it would be injustice to them.

LOANS

(Recommendation Sl. No. 14, Para No. 4.18)

1.19 The Committee had recommended that the bank should take immediate necessary measures to enhance its lending to persons belonging to SCs/STs.

Reply of the Government

1.20 Financing to SCs/STs borrowers has increased from 118062 borrowers as on 31.3.1999 to 120581 borrowers as on 31.3.2000. People working at branches of the Bank have instructions that no viable application is rejected and necessary help is provided to the potential borrower in completion of applications. It is also ensured through the operating functionaries that no application of SC/ST beneficiary is rejected without reference to the Regional Managers.

Comments of the Committee

1.21 The Committee note that the efforts of State Bank of Patiala towards enhancing its lending to persons belonging to SCs/STs are laudable but this needs to be further improved and monitored suitably.

EDUCATIONAL LOANS

(Recommendation Sl. No. 22, Para No. 4.51)

1.22 The Committee had recommended that the bank should consider giving further concessions/relaxations in favour of students belonging to Scheduled Castes and Scheduled Tribes so as to make Educational Loan Scheme more popular to them. The Committee had further recommended

that wide and intensive Publicity of Educational Loan Scheme should be given by the bank to ensure that it reaches the Scheduled Castes/ Scheduled Tribes masses and the performance of the bank in this regard is increased.

Reply of the Government

1.23 Under the Educational Loan Schemes, special relaxations have been given to SC/ST students. An SC/ST Student getting pass marks is eligible for raising education loan for pursuing school/college education in India and a student getting second division can raise loan for Technical/ Professional higher studies in India/abroad. As on 31.3.2000, out of total 413 outstanding cases, amounting to Rs. 328 lacs, 145 cases (35.11%) of Rs. 81 lacs are to SCs/STs students. Wide publicity is given to the scheme by displaying the pamphlets/Brochures containing the salient features of the scheme at the branches.

Comments of the Committee

1.24 The Committee appreciate the efforts of the State Bank of Patiala towards education loan and loan for study abroad to SC/ST students but this is required to be further improved. The Committee desire that intensive publicity of educational loan scheme through national/regional newspaper and also through AIR and Doordarshan should be given by the Bank it ensure that it reaches the SC/ST people. This will enhance the image of the bank for being customer friendly specially among SCs/STs.

BANK BRANCHES

(Recommendation Sl. No. 26, Para No. 5.17)

1.25 The Committee had recommend that the State Bank of Patiala should gear up its machinery so that it does not fall areas in opening of new branches in unbankable areas of Chandigarh (UT) U.P. and Delhi. The Committee hope that the new branches will be opened in rural areas of above mentioned States by the State Bank of Patiala at the earliest. The Committee suggest that in view of the fact that in remote areas Scheduled Castes/Scheduled Tribes are not generally aware of the details of welfare programmes/schemes launched by the Government due to their general ignorance and leading a life in isolation in remote areas of the country, adequate steps should be taken to popularise the various credit schemes among them. The Committee also recommend that the Bank should formulate a plan for opening mobile branches in remote areas, so that the poor Scheduled Castes/Scheduled Tribes do not face any difficulty to avail of the credit facilities from the Bank.

Reply of the Government

1.26 The Bank has initiated survey of the centres to open new branches in unbanked area of Chandigarh (UT) and Delhi as well as for opening mobile branches in remote areas so that the SC/ST do not face any difficulty in availing the credit.

Comments of the Committee

1.27 The Committee appreciate the efforts made by the Bank by initiating survey of centres to open new branches in unbanked areas of Chandigarh (UT) and Delhi as well as for opening mobile branches in remote areas so that the SC/ST do not face any difficulty in availing the credit. The Committee also desire that State Bank of Patiala should make further efforts to open branches in unbanked areas of other States of the Country. The Committee would also like to be apprised of the outcome of the efforts made by the State Bank of Patiala in this direction.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE COMMITTEE

(Recommendation Sl. No. 1, Para No. 1.5)

The Committee are happy to note that at present there is one SC/ST Member in the Board of Directors of the State Bank of Patiala. The Committee hope that the Bank will continue their sincere efforts in future also to keep atleast one Member of reserved category in the Board of Directors of State Bank of Patiala.

Reply of the Government

Bank has assured to continue the efforts, as desired.

(Recommendation Sl. No. 2, Para No. 2.9)

The Committee find that the statement showing the year-wise recruitment made by the Bank during 1994, 1995 and 1996 indicate considerable shortfall in the representation of Scheduled Castes and Scheduled Tribes in officers, clerical and sub-staff categories. During 1996, 6 posts for Scheduled Castes and 5 posts of Scheduled Tribes were reserved in officers cadre out of which 4 Scheduled Castes and 1 Scheduled Tribe were appointed and 2 posts of Scheduled Castes and 4 posts of Scheduled Tribes remain unfilled. Similarly, in the same year in clerical cadre out of 107 posts reserved for Scheduled Castes and 10 posts reserved for Scheduled Tribes, 103 Scheduled Castes and 8 Scheduled Tribes remain unfilled and in sub-staff cadre out of 11 posts reserved for Scheduled Tribes only 5 posts were filled and 6 posts remained unfilled. The usual plea of shortfall stated by Bank is non-availability of sufficient number of Scheduled Tribes candidates despite permitting them the available relaxation/concessions and allotment of inadequate number of ST candidates by the CRB/BSRBs because they are not getting the sufficient numbers. The Committee recommended that Government should make concerted efforts to wipe out the shortfall of SCs/STs in all categories of posts by conducting repeated special recruitment drives by giving further relaxation so that the shortfall could be wiped out.

Reply of the Government

The Shortfall is due to allotment of inadequate number of ST candidates by the BSRBs. In the Bank's major area of operation, which comprises of the States of Punjab, Haryana, Delhi & Chandigarh, Population of ST is

negligible. However, bank will be making concerted efforts to clear the backlog by conducting special recruitment drives.

(Recommendation Sl. No. 3, Para No. 2.10)

The Committee strongly recommend that State Bank of Patiala should clear the backlog in all the categories expeditiously and they may be apprised of the latest position.

Reply of the Government

All out efforts are made to clear the backlog in all the categories expeditiously. Latest position showing recruitment made by the Bank during the year ended 31.12.1999 is as under:—

Cadre	Backlog carried forward from previous year		Posts reserved during the year		Posts filled during the year		Total backlog at the end of year		
	SC	ST	SC	ST	SC	ST	SC	ST	
Officers	—	03	04	02	04	—	—	—	05
Clerical	10	—	43	03	51*	04	08*	—	—
Sub-staff	04	06	04	—	04**	—	—	6**	06

The backlog in ST Category is because of non-availability of STs in Bank's area of operation, i.e. the States of Punjab, Haryana, UT of Delhi and Chandigarh.

(Recommendation Sl. No. 4, Para No. 2.17)

The Committee note that 17 posts of SCs and 32 posts of STs in the year 1994 to be filled through promotion from clerical to officer cadre JMGS-I could not be filled as the requisite number of employees belonging to these communities were not available. Similarly, in 1995, 26 and in 1996, 22 posts reserved for STs could not be filled through promotion from clerical to officer cadre JMGS Scale-I. The usual plea of non-availability of suitable/eligible Scheduled Tribes candidate is hardly convincing. The Committee desire that State Bank of Patiala should clear the shortfall in promotions in respect of SCs/STs at the earliest by giving them further relaxations 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.

* 6 posts of SCs have been filled in excess of reservation, one in Haryana and 5 in the State of Punjab against ST posts through the rule of exchange of vacancies.

** 2 posts of SCs have been filled in excess of reservation, one each in the State of Delhi and Haryana against ST posts through the rule of exchange of vacancies.

Reply of the Government

The shortfall as indicated by the Committee is due to allotment of inadequate number of ST candidates by the BSRBs. In the Bank's major areas of operation, which comprises of the States of Punjab, Haryana, Delhi & Chandigarh population of STs is negligible. However, to clear the shortfall in promotion in respect of SCs/STs at the earliest, the bank will be temporarily diverting the unfilled vacancies in the promotion quota to the direct recruitment quota as recommended by the Committee.

(Recommendation Sl. No. 7, Para No. 2.20)

The Committee also recommend that to overcome the problem of non-availability of eligible Scheduled Tribes candidates in the feeder cadre the promotional post should temporarily be diverted to direct recruitment of Scheduled Castes/Scheduled Tribes candidates.

Reply of the Government

The Bank will be diverting the unfilled reserved vacancies for STs in the promotion quota to the direct recruitment quota to clear the backlog.

(Recommendation Sl. No. 14, Para No. 4.18)

The Committee also recommend that the Bank should take immediate necessary measures to enhance its lending to persons belonging to SCs/STs.

Reply of the Government

Financing to SCs/STs borrowers has increased from 118062 borrowers as on 31.3.1999 to 120581 borrowers as on 31.3.2000.

People working at branches of the Bank have the instructions that no viable application is rejected and necessary help is provided to the potential borrower in completion of applications. It is also ensured through the operating functionaries that no application of SCs/STs beneficiary is rejected without reference to the Regional Managers.

(Recommendation Sl. No. 23, Para No. 5.7)

The Committee note that normally loan applications upto Rs. 25,000/- are disposed off within 14 days and those above Rs. 25,000/- are disposed off generally within 3 weeks. The Committee regret to note that inspite of these instructions complaints are sometimes received regarding delay in sanctioning of loans. The Committee, therefore, recommend that whenever cases of delay in sanctioning of loans by branches come to the notice of Bank authorities immediate action should be taken against persons responsible for the delay.

Reply of the Government

As per instant instructions, the proper record is being maintained at Branch level as well as Zonal Office levels on account of receipt/disposal of loan applications.

Normally all the applications received are scrutinised and sanctioned/disbursed within the stipulated period. The delay, if any, only occurs, where:—

- (i) The applicant is not available on verification by the Bank officer on pre sanction visit.
- (ii) The applicant fails to submit necessary documents for processing the proposal e.g. No Dues certificates from other Banks, Income criteria affidavit, Residency certificate, etc.
- (iii) The applicant does not visit the branch for completion of formalities inspite of the repeated reminders after sanction of loan.

The Bank has devised internal system of control and statements are submitted by the branches to District Co-ordinators and controlling authorities concerned. The controlling authorities also scrutinise the loan application register, on their visit to the branch.

Bank takes appropriate action against the erring official who keep the applications pending without any cogent reasons for the same.

(Recommendation Sl. No. 24, Para No. 5.8)

The Committee also note that main reason for rejection of loan applications for Scheduled Castes/Scheduled Tribes are non-feasibility and non-viability of project. The Committee are of the view that in order to help Scheduled Caste/Scheduled Tribe beneficiaries under the credit schemes there should be objective assessment to determine the viability of a particular scheme for which loan is sought. The Committee recommend that the Bank should lend all possible help the Scheduled Caste/Scheduled Tribe beneficiaries to prepare viable project.

Reply of the Government

The Bank is having consultancy cell and the Technical Officers help in preparing projects as well as in appraising the proposal. The Bank is also sponsoring Entrepreneurship Development Programmes for SCs/STs beneficiaries conducted by NITCON in the Lead Districts so as to extend all possible help and increase financing to the said target group.

(Recommendation Sl. No. 25, Para No. 5.10)

The Committee regret to note that instead of giving bank loans for various purposes to borrowers themselves the loan payments are directly issued in the name of vendors towards purchase of assets on the plea that such payments prevent exploitation by middlemen and other. The Committee are of the view that such a practice is fraught with the danger of forcing the poor Scheduled Caste/Scheduled Tribe borrower to take delivery of goods from a particular supplier without exploring the possibility of getting goods cheaper from another source. The Committee are not in favour of present procedure. They, therefore, recommend that such practice should be discontinued forthwith and loans should be disbursed to the poor Scheduled Caste/Scheduled Tribe borrowers on cash basis.

Reply of the Government

Under the new Swarnajayanti Swarozgar Yojna (SGSY) scheme introduced w.e.f. 01.04.1999 by merging all the previous existing schemes for giving loans to all borrowers including Scheduled Caste and Scheduled Tribe, the payments in farm sector is made direct to the beneficiary irrespective of the loan amount in cash. Now the beneficiary is free to purchase the assets from anywhere of his own will.

(Recommendation Sl. No. 26, Para No. 5.17)

The Committee recommend that the State Bank of Patiala should gear up its machinery so that it does not fall into arrears in opening of new branches in unbankable areas of Chandigarh (UT) U.P. and Delhi. The Committee hope that the new branches will be opened in rural areas of above mentioned States by the State Bank of Patiala at the earliest. The Committee suggest that in view of the fact that in remote areas Scheduled Castes/Scheduled Tribes are not generally aware of the details of welfare programmes/schemes launched by the Government due to their general ignorance and leading a life in isolation in remote areas of the country, adequate steps should be taken to popularise the various credit schemes among them. The Committee also recommend that the Bank should formulate a plan for opening mobile branches in remote areas, so that the poor Scheduled Castes/Scheduled Tribes do not face any difficulty to avail of the credit facilities from the Bank.

Reply of the Government

The Bank has initiated survey of the centres to open new branches in unbanked area of Chandigarh (UT) and Delhi as well as for opening mobile branches in remote areas so that the SC/ST do not face any difficulty in availing the credit.

(Recommendation Sl. No. 27, Para No. 5.24)

The Committee are happy to note that State Bank of Patiala allows the officers to have furnished residential accommodation at a place of their choice as a measure of encouragement to work in rural and semi-urban areas. The Committee feel, it would help in mobilising more officers to work in rural and semi-urban areas where they have greater scope to serve the weaker section. The Committee also desire that State Bank of Patiala should keep up this tempo in future also.

Reply of the Government

Bank has assured to keep up this tempo in future also.

(Recommendation Sl. No. 28, Para No. 5.30)

The Committee note that the recovery position from Scheduled Caste / Scheduled Tribe 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 Scheduled Caste and Scheduled Tribe borrowers should be highlighted so that these schemes would gain more support from these communities.

Reply of the Government

The Bank has already started incorporating the recovery position in the Annual Reports of the DRI borrowers from SC / ST categories. The year wise position is given as under:—

(Amt. in lacs)

PERCENTAGE OF RECOVERY UNDER DRI LOANS

Year			% of Recovery	SC / ST		% of Recovery
	Demand Rs.	Recovery Rs.		Demand Rs.	Recovery Rs.	
March, 96	604.95	377.31	62.37	93.01	35.70	38.38
March, 97	960.17	360.00	37.49	307.67	145.04	47.17
March, 98	1323.65	639.50	48.31	1071.04	454.85	42.17
March, 99	884.72	500.95	56.62	707.87	456.60	64.50
March, 2k	455.77	259.61	57.00	402.51	223.28	55.47

CHAPTER III

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

(Recommendation Sl. No. 5, Para No. 2.18)

Committee are of the view that unless the liberal and sympathetic attitude is adopted towards Scheduled Caste/Scheduled Tribe employees, the situation is not likely to improve. The Committee hardly need to point out that by making mere provision of reservation in promotion in favour of Scheduled Castes/Scheduled Tribes will have no meaning unless all the vacancies reserved for them are actually filled up by them if necessary by giving them special concessions/relaxation in experience etc.

Reply of the Government

The approach of the Bank towards Scheduled Caste/Scheduled Tribe employees in liberal and sympathetic. All relaxations/concessions provided to SC/ST candidates as per Govt. of India guidelines are being extended to them. To enable the SC/ST candidates to come up to the desired level special pre-promotion training programmes are conducted at regular intervals.

(Recommendation Sl. No. 6, Para No. 2.19)

In view of heavy shortfalls in the representation of SCs/STs in promotional posts, the Committee recommend that SCs/STs should be given promotion by giving them concession in the criteria determined for promotion so that SC/ST shortfall could be wiped out at the earliest.

Reply of the Government

Recently Government has issued circulars (a) restoring the relaxations/concessions provided to SCs and STs in minimum qualifying marks/lesser standards of evaluation which existed prior to July, 1997 (*vide* letter No. 1/16/2000-SCT(B) dated 9.11.2000) and (b) to treat the past backlog separately as a distinct group and non applicability of 50% ceiling thereon thereby paving the way for special recruitment drives which had been stopped for the past two years (*vide* letter No. 1/10/2000-SCT(B) dated 3.8.2000). With this steps will be taken by banks to wipe out the shortfall in the representation of SCs/STs in promotional posts.

(Recommendation Sl. No. 8, Para No. 3.12)

The Committee note that the Bank has nominated Liaison Officer for SCs/STs at Head Office/Zonal Office/Regional Offices so as to ensure

due compliance of the instructions pertaining to reservation for SCs/STs and other concession admissible to them and also to look after interest of SCs/STs. 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 view about their common problems to avoid any controversy in the implementation of reservation orders.

Reply of the Government

Chief Liaison officer nominated for SCs/STs at Bank's head Office conducts periodical meetings with the Liaison officer of the Zones/Regions to exchange views about their common problems in implementation of reservation orders.

(Recommendation Sl. No. 17, Para No. 4.30)

The Committee not that the performance of State Bank of Patiala has not been satisfactory during the years 1994-95 to September, 1998. The Committee, therefore, recommend the State Bank of Patiala to make all out efforts to accomplish stipulated targets for SCs/STs under IRDP and also fix responsibilities for not achieving the stipulated target.

Reply of the Government

The IRDP has been discontinued *w.e.f.* 01.04.1999 and amerged into new scheme *viz.* Swaranjayanti Gram Swarozgar Yojna (SGSY) and disbursement under the scheme has been made as under:—

(Rs. in lacs)

Disbursement during the year 1999-2000 *i.e.* as on 31.03.2000

No. of A/cs	(1) Amount	Out of (1) No. of A/cs	to SC/ST Amount	%age
1604	305.15	721	126.71	44.95
Disbursement from 01.04.2000 to 30.06.2000				
770	166.74	339	94.20	44.03

It is evident from the above that the disbursement to SCs/STs is improving and we hope that it will further improve in the current year.

(Recommendation Sl. No. 19, Para No. 4.42)

The Committee have been informed that no credit camps meetings are held under IRDP for identification of beneficiaries. The Committee feel that credit camps (Grama Sabha) meetings should be held for

identification of Scheduled Caste/Scheduled Tribe beneficiaries and bank managers should be made responsible to select and provide credit to more persons from Scheduled Caste/Scheduled Tribe community under this scheme.

Reply of Government

IRDP alongwith SITRA, DWCRA, MWS, GKY, TRYSEM have been merged into a new scheme viz Swarnajyanti Gram Swarozgar Yojana (SJSY) w.e.f. 1.4.1999. However, owing to the joint credit camps arranged by the Bank with village sabhas, 721 SCs/STs borrowers have been financed under the scheme out of total of 1604 beneficiaries during 1999-2000. The Bank is further ensuring that joint camps with the Gram Sabhas of the villages allocated to the Bank are arranged to identify SCs/STs borrowers for financing under the scheme.

(Recommendation Sl. No. 20, Para No. 4.47)

The Committee are constrained to note that the performance of State Bank of Patiala has not been satisfactory in respect of share of SCs/STs borrowal accounts. Against the number of borrowal accounts held by SC/ST people, number of borrowal accounts in favour of them are declining and indicative of treatment being meted out to SC/ST people approaching to State Bank of Patiala for loans. The Committee recommend that State Bank of Patiala should be more conscious in future about its social obligation towards SCs/STs in the matter of disbursement of loans to them and efforts should be well directed so that these downtrodden sections may get a chance to come upto certain level.

Reply of the Government

Financing to SCs/STs borrowers has increased from 118062 as on 31.3.1999 to 120581 as on 31.3.2000. The Bank is ensuring that no viable project received from SCs/STs borrowers is rejected and wherever desired proper counselling is provided to them by our branch officials. No application is rejected by the branches without reference to the Regional Managers. With the concerned efforts, the number of SCs/STs borrowers is continuously increasing.

(Recommendation Sl. No, 21, Para No. 4.48)

The committee further recommend that before disbursing loans to rural artisans and small scale industries the Bank should arrange some sort of training for prospective borrowers so as to make them proficient in handling the job.

Reply of the Government

To provide training to the entrepreneurs, Bank is sponsoring Entrepreneurship Development Programmes (EDPs) conducted by North India Technical Consultancy Organisation Ltd. (NITCON). The Branch officials also discuss with the potential borrowers about maintenance of proper accounts (ii) requirements for the success of the project being proposed (iii) availability of the infrastructure (iv) marketing problems etc. and counsel wherever desired so that the project is successful. The Bank has also consultancy cell at Head Office who provide counselling to the potential borrowers wherever required/desired.

(Recommendation Sl. No. 22, Para No. 4.51)

The Committee note with dismay that during the years from 1994 to 1997. Only 25 students belonging to Scheduled Castes/Scheduled Tribes communities availed of the loan facility provided under Educational Loan Scheme. This gives a poor picture of representation of Scheduled Castes/Scheduled Tribes under the scheme. The Committee feel that the number of borrowers under Educational Loan is not satisfactory. The Committee recommend that the bank should consider giving further concessions/relaxation in favour of students belonging to Scheduled Castes and Scheduled Tribes so as to make Educational Loan Scheme more popular to them. The Committee further recommend that wide and intensive publicity of Educational Loan Scheme should be given by the bank to ensure that it reaches the Scheduled Caste/Scheduled Tribe masses and the performance of the bank in this regard is increased.

Reply of the Government

Under the Educational Loan Schemes, special relaxations has been given to SC/ST students. A SC/ST student getting pass marks is eligible for raising education loan for pursuing school/college education in India and a student getting second division can raise loan for Technical/Professional higher studies in India/abroad. As on 31.3.2000, out of total 413 outstanding cases, amounting to Rs. 328 lacs, 145 cases (35.11%) of Rs. 81 lacs are to SCs/STs students. Wide publicity is given to the scheme by displaying the pamphlets/brochure containing the salient features of the scheme at the branches.

CHAPTER IV

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

(Recommendation Sl. No. 9, Para No. 3.13)

The Committee 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.

Reply of the Government

As per rule, only the Liaison Officer of SCs/STs of the bank is required to countersign the complaints/grievances register periodically. There is no rule providing for countersigning of the same by the Chief Liaison Officer of Banking Division.

(Recommendation Sl. No. 10, Para No. 3.14)

The Committee note that according to the present policy of State Bank of Patiala bank quarters are not provided to clerical and sub-staff cadres. However, they are paid House Rent Allowance. Keeping in view the social status of SCs/STs, it is very difficult for SC/ST employees to discharge their duties properly in the absence of housing facility especially when they are transferred from one place to another, as they do not get the accommodation easily due to their social status on cheaper rates comensurating with their pay and allowances. The Committee recommend that instead of paying the House Rent Allowance, the Bank should hire suitable accommodation for SC/ST employees in all the categories and allot the same to them on usual terms and conditions.

Reply of the Government

As per service conditions all employees in clerical and sub-staff cadre including SCs/STs are not provided bank quarters at any place. However, SCs/STs in officer cadre are provided bank quarters at par with officers in general category.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES HAVE NOT BEEN RECEIVED

(Recommendation Sl. No. 11, Para No. 4.12)

The Committee note that a special Cell has been created in the Banking Division which is a part of Development Section of the Ministry of Finance to monitor the flow of credit to persons belonging to SCs/STs. The Committee feel that in the absence of infrastructure the Cell will not be of much help in monitoring the flow of credit to weaker sections. The Committee, therefore, recommend that adequate number of staff should 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.

Reply received from Government

NIL

(Recommendation Sl. No. 12, Para No. 4.13)

The Committee also take note of the reply by the Ministry of Finance, Department of Economic Affairs (Banking Division) that bank credit is only one of the inputs for upliftment of weaker sections including SCs/STs. However, availability of bank credit alone in the absence of adequate infrastructure marketing and extension facilities will not yield result to the desired extent. The Committee would, therefore, like the Government to set up a body consisting of representatives of the Ministry of Finance, Reserve Bank of India and State Government concerned to identify the schemes which could be taken up in a particular area depending upon the resources and skills of the people inhabiting that area to lay down the financial targets for providing credit facilities and for proper co-ordination among the Centre, States and Banking institutions helping in the operation of lending schemes for the SCs/STs.

Reply received from Government

NIL

(Recommendation Sl. No. 13, Para No. 4.17)

It may be seen from the above data that the percentage of advances to Scheduled Castes/Scheduled Tribes in Priority sector is considerably low. Secondly, no separate norms have been prescribed by Government/RBI regarding share of Scheduled Castes/Scheduled Tribes in total priority advances. The Committee recommend that adequate percentage of the priority sector lending should be earmarked for SCs/STs, so that they get a

substantial portion of the credit earmarked for weaker sections under priority sector.

Reply received from Government

NIL

(Recommendation Sl. No. 15, Para No. 4.25)

The Committee need hardly to point out that the conditions in hilly areas are totally different from plain areas and various development programmes for SCs/STs cannot be implemented properly in hilly areas. The Committee feel that there is a need for relaxation in the norms fixed for hilly areas. The Committee, therefore, urge upon the Government to be more practical and formulate different liberalised norms in respect of people living in difficult and inaccessible hilly areas for their prompt and proper development.

Reply received from Government

NIL

(Recommendation Sl. No. 16, Para No. 4.26)

The Committee feel that the amount of Rs. 6500/- for setting up small productive venture under DRI Scheme is quite inadequate in view of the infrastructure requirements being costly. The Committee, therefore, strongly recommend that the Ministry should take up with the Reserve Bank of India for enhancing the existing amount of Rs. 6500/- for setting up productive venture under DRI scheme.

Reply received from Government

NIL

(Recommendation Sl. No. 18, Para No. 4.38)

The Committee note that housing advances upto Rs. 5000 are granted by the bank to SCs/STs. at the concessional rate of interest of 4%. The Committee do not consider the amount of Rs. 5000/- as sufficient for construction of a house keeping in view the escalation in the prices of the various building materials and higher labour charges involved. The Committee, therefore, recommend that the Ministry should take up with RBI the matter of upward revision of housing loans suitably under DRI scheme.

Reply received from Government

NIL

(Recommendation Sl. No. 29, Para No. 5.31)

Committee note with concern that 60% of the borrowers under DRI have been found defaulter and no penalty is imposed on the beneficiaries

under the scheme by the bank. The Committee, therefore, recommend that stern action should be initiated against the defaulters and penalty may also be imposed on defaulters so that defaulting cases may be minimised.

Reply received from Government

NIL

NEW DELHI;

July, 2001

Sravana, 1923 (Saka)

KARIYA MUNDA,

Chairman,

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

APPENDIX

(Vide Para 4 of the introduction)

*Analysis of the action taken by Government on
recommendations contained in the 5th Report
(13th Lok Sabha) of the committee on the
Welfare of SCs and STs*

1.	Total number of the recommendations	29
2.	Recommendations/ Observations that have been accepted by Government Numbers.....	12
	Percentage to total.....	41%
3.	Recommendations/ Observations which the Committee do not desire to pursue in view of the Government's replies Numbers.....	8
	percentage to total.....	28%
4.	Recommendations/ Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration Numbers.....	2
	Percentage to total.....	7%
5.	Recommendations/ Observations in respect of which final replies of Government have not been received Numbers.....	7
	Percentage to total.....	24%