

(b) Loans from National Small Savings Funds (NSSF) are one of the sources to finance the Annual Plans of the States. Based on the estimated net collection of NSSF, it is for the States to plan their borrowing programme with respect to other instruments prudently. Mere flow of NSSF loans will not increase the fiscal deficit of the States, as it is only a source for financing their Annual Plans and also fiscal deficit.

Shortage of supply of food items

†1220. SHRI RAVI SHANKAR PRASAD:

SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been a steep rise in the prices of food items in the country during 2008-09 and 2009-10;

(b) if so, whether it is also a fact that the reasons for this hike in prices can not be attributed to shortage of supply of food items;

(c) if so, what is Government's reaction thereto;

(d) whether it is also a fact that availability of rice, wheat, onion and sugar in the country was not less than their demand; and

(e) if so, what is Government's reaction thereto and whether Government has found out actual reasons behind this inflation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) The WPI inflation in food items with a weight of 25.43 per cent is indicated in the table below:—

Table: Year-on-year inflation in food items (weight 25.43 %) in WPI (%)

	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	March
2008-09	5.3	5.7	6.4	6.4	7.2	7.6	8.7	8.8	8.6	9.5	9.1	7.4
2009-10	9.0	9.5	10.8	12.7	13.3	14.7	14.3	19.3	19.8	19.1		

P-Provisional

(b) The hike in prices of food items could be attributed to expectations of supply-side constraints of food items, especially due to unfavourable south-west monsoon.

(c) The Government has taken several measures to check inflation in food items, which include:—

(i) Reducing import duties to zero- for rice, wheat, pulses, edible oils (crude) and sugar.

(ii) Reducing import duties on refined and hydrogenated oils and vegetable oils.

(iii) Allowed import of raw sugar at zero duty under open general licence (OGL).

†Original notice of the question was received in Hindi.

- (iv) Two million tonnes of wheat and one million tonnes of rice have been allocated to States for distribution to retail consumers over and above normal Public Distribution System allocation.
- (v) Banned export of non-basmati rice, edible oils and pulses (except, kabuli chana).
- (vi) Imposed stock limit orders in the case of paddy, rice, pulses, sugar, edible oils and edible oilseeds.

(d) **Rice:** According to the Second Advance Estimates released by Department of Agriculture and Cooperation on 12.02.2010, the production of rice is estimated at 87.56 million tonnes compared to 99.18 million tonnes in 2008-09 (final estimates). The consumption (food use) of rice as per NSSO estimates 63rd round is 86.88 million tonnes. Further, there is demand on account of seed and animal feed besides wastages.

Wheat: According to the Second Advance Estimates released by Department of Agriculture and Cooperation on 12.02.2010, the production of wheat is estimated at 80.28 million tonnes compared to 80.68 million tonnes in 2008-09 (final estimates). The consumption (food use) of wheat is estimated at 64.56 million tonnes, approximately. Further, there is demand on account of seed and animal feed besides wastages.

Onion: The total onion production during 2008-09 was estimated at 76 lakh tonnes, approximately and the total annual consumption demand is estimated at 83 lakh tonnes. The production in 2009-10 is expected to be at the same level as last year.

Sugar: The production of sugar in 2009-10 sugar season is estimated at 160 lakh tonnes compared to 260 lakh tones in 2007-08 whereas the demand for sugar is estimated at 230 lakh tonnes, approximately.

(e) As stated above in reply to part (b) of the question, the reason for the hike in prices of food items could be expectations of supply-side constraints of food items, especially due to unfavourable south-west monsoon.

NPAs of Banks

1221. SHRI D. RAJA:

SHRI R.C. SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Non-Performing Assets (NPAs) of the Public Sector Banks rose by about 50 per cent in the three quarter of the Financial Year 2010; and

(b) if so, what is the net NPAs of the Public Sector Banks and major Private Sector Banks during the year 2007,2008, 2009 and 2010 so far, and how does it compare with the total advances made by these banks during the period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) The Gross Non-Performing Assets (NPAs) of Public Sector Banks (PSBs) have shown an increase of around 23% as on 31 December, 2009 *vis-à-vis* the figures as on 31 March, 2009.

(b) The details of net NPAs of PSBs and major Private Sector Banks as on March, 2007, March, 2008, March, 2009 and December, 2009 are given in the Statement.