The proposed amendment to take effect from 1st April, 2011 and will, accordingly apply in relation to the assessment year 2011-12 and subsequent years.

Per capita subsidy

3421. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that per capita subsidy is given to poor person living below the poverty line in the country;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) whether Government has any plans to move to a system of direct subsidy transfer to the consumer?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Yes. Government provides subsidy in various forms to the citizens in various direct and indirect ways. Some of the major items of subsidy are:—

Major items		For BPL category		For AAY category	
		Rice	Wheat	Rice	Wheat
(i)	Food subsidy	Rs. 1478.14 per quintal	Rs. 1128.93 per quintal	Rs. 1743.14 per quintal	Rs. 1343.93 per quintal
(ii)	Subsidy on domestic LPG	Rs. 201.91 per cylinder (for all domestic consumers)			
(iii)	Subsidy on Kerosene	Rs. 15.67 per litre (for both categories)			

(c) Does not arise.

(d) Government has decided to provide nutrient based fertilizer subsidy (NBS). The new system will move towards direct transfer to subsidy to farmers.

Excise duty exemption

3422. SHRI BIRENDRA PRASAD BAISHYA: Will the Minister of FINANCE be pleased to state:

(a) whether requests for extension of date for receiving the benefit of excise duty exemption have been received from various North-Eastern States including Assam; and

(b) if so, the details thereof and the actions taken thereon in implementation of North East Industrial and Investment Promotion Policy 2007?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S PALANIMANICKAM): (a) No, Sir. No such request has been received. At present exemption from central excise duty is available to new units which are set up and existing units undertaking substantial expansion and commencing commercial production by 31st March, 2017.

(b) Does not arise in view of (a) above.

Credit flow to MSMEs

3423. SHRIMATI T. RATNA BAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government is tracking credit flow by banks to Micro-Small and Medium Enterprises (MSMEs) electronically;

(b) if so, the details thereof;

(c) the aims and objectives of such proposal; and

(d) the plan prepared for the Eleventh Five Year Plan in this regard after consulting the State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) Reserve Bank of India had constituted a Working Group under the Chairmanship of Dr. K.C. Chakrabarty, the then Chairman of Punjab National Bank (presently Deputy Governor, RBI) in June, 2007 to look into the problems faced by new as well as sick MSMEs, timely and adequate flow of funds to the sector, rehabilitation of sick SMEs etc. The Working Group submitted its report in April, 2008. The Working Group had recommended that banks should introduce Central Registration of loan applications and the same technology may be used for online submission of loan applications as also for online tracking of loan applications. Accordingly all the Scheduled Commercial Banks have been advised on 04.05.2009 to implement these recommendations.

Besides all the State Governments and concerned Central Ministries have been requested to take suitable steps/action on the recommendations of the above Working Group.

Further, the High Level Task Force on MSME Sector has recommended that the banks may put in place an electronic tracking system for ensuring timely approval/rejection of loan applications of micro, small enterprises (MSE) and MSEs should be informed about the reason for rejection of their loan application with in a definite period. All the banks have been advised to take suitable actions in this regard.

Expensive Auto/Home loan

3424. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Auto and Home loans have become expensive;

(b) if so, the reasons therefor;

(c) whether this escalation in Auto loans will further elevate price rise; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The interest rates are determined by the banks themselves with the approval of their Board of Directors after taking into consideration factors like cost of funds, operating expenses,