

knowledge of the subject. During this check, adhesive like substance was noticed at various locations. This was brought to the notice of the Prime Minister by the Union Finance Minister in September, 2010. The Prime Minister directed the Intelligence Bureau to conduct a secret enquiry into the matter. The Intelligence Bureau carried out an inspection of the relevant premises. Adhesive patches were found stuck at a few places. The adhesive patches were subjected to chemical/forensic analysis, which revealed that the substance contained contents comparable with the contents of chewing gum. Physical examination of the recovered substance did not reveal any sign or mark suggestive of any device having been attached thereto. Thereafter, all these premises have been subjected to regular screening. During these exercises, no devices have been detected.

#### **Measures to avoid unwanted expenditure**

1617. SHRI SANJAY RAUT:

SHRI GOVINDRAO ADIK:

Will the Minister of FINANCE be pleased to state the details of the steps taken or proposed to be taken to tighten expenditure plans by avoiding unwanted expenditure in various Government departments and PSUs for during the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): Ministry of Finance has issued instructions containing measures for expenditure management in 2011-12 on 2nd May, 2011. The Ministry has also issued instructions on 11th July, 2011 containing economy measures on seminars/conference, purchase of vehicles, foreign travel, Creation of Posts, Consultancy Assignment, observance of discipline in fiscal transfers to States/PSU/Autonomous Bodies and on Balanced Pace of Expenditure. These instructions are also applicable to autonomous bodies funded by Government of India. Economy instructions have been issued in respect of PSL by Department of Public Enterprises on 12th August, 2011.

#### **Contraction of currency by RBI**

†1618. SHRI RAMCHANDRA PRASAD SINGH:

SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India (RBI) has tried contraction of currency 10 times in the country during last 15 months;

(b) if so, the details thereof;

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†Original notice of the question was received in Hindi.

(c) the quantum of amount likely to be decreased due to contraction of currency in the country; and

(d) whether these efforts have resulted in containing inflation in the country?

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

(a) No, Sir.

(b) to (d) Does not arise.

**Diversion of agricultural loan by States and UTs for other purposes**

1619. SHRI AVINASH RAI KHANNA: Will the Minister of FINANCE be pleased to state:

(a) the amount of agriculture loan given to the farmers in the last 3 years, State and UT-wise;

(b) the procedure for disbursement of the loan for a particular State or U.T.;

(c) the rate of interest on such type of loans;

(d) whether the loan obtained in the big cities and U.Ts in the names of farmers utilized for the farming purpose; and

(e) if not, the mechanism in place to check this system?

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

(a) to (e) The State-wise details of agriculture loan given to the farmers during the last three years is given in statement-I, II and III. The loans are sanctioned to eligible farmers on the basis of guidelines issued by Reserve Bank of India and also issued by the respective banks.

The Government of India is implementing the Interest Subvention Scheme since 2006-07 to make short-term crop loans upto Rs. 3 lakh for a period of one year available to farmers at the interest rate of 7 percent per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payees farmers, i.e., those who repay their loan in time. The additional subvention was 1% in 2009-10 and 2% in 2010-11. This is being increased to 3% in 2011-12.

The banks have their own mechanism/guidelines to check the utilisation of the loans disbursed by them. The loans disbursed by all banks is being reviewed periodically at various fora viz. District Consultative Committee Meetings (DCC) at the district level and State Level Bankers Committee (SLBC) at the State level.