

Impact of hike in policy rates on home loan takers

2205. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Reserve Bank of India (RBI) had recently increased the policy rate;
- (b) if so, the details thereof;
- (c) whether Government is aware that this is likely to affect the consumers particularly those who propose to buy homes; and
- (d) the steps proposed to be taken to help the situation?

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

(a) to (d) Since March, 2010, the Reserve Bank has raised the repo rate eleven times by a cumulative of 325 bps. Due to the monetary tightening by the Reserve Bank, banks have also been increasing their lending rates, including for housing loans. In the absence of tightening, inflation perhaps would have been higher on account of demand pressures.

Check on circulation of fake currency

2206. SHRI AVTAR SINGH KARIMPURI: Will the Minister of FINANCE be pleased to state:

- (a) whether fake currencies are in circulation in most of the States in the country;
- (b) if so, the details thereof; and
- (c) the action being taken by Government to prevent circulation of fake currency?

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

(a) and (b) As per the information furnished by National Crime Record Bureau, the amount of fake currency recovered and seized during 2009, 2010 and 2011 (upto 30.6.2011), State-wise is given in Statement (See below).

(c) The steps taken by the Government to curb circulation of FICN in the country include stepping up of vigilance by the Border Security Force and Custom authorities to prevent smuggling of fake notes; dissemination of information on security features through print and electronic media and formation of Forged Note Vigilance Cells in all the Head Offices of the banks. Additional security