

population in hilly and far-flung areas in Himachal Pradesh for opening of new SBI branches; and

(b) If so, whether Government would consider the demand for opening of new SBI branch in Jangla, Himachal Pradesh which is a centre of six gram panchayats with 15,000 population ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) New bank branches are opened under Reserve Bank of India's (RBI) Branch Authorization Policy. While considering the proposals for opening of new branches, Bank *inter-alia* into consideration existing banking network, business potential and viability.

(b) As a branch each of UCO Bank and Himachal Pradesh State Co-operative Bank Ltd. are already functioning at village Jangla and are catering to the banking requirements of the people in the area, State Bank of India (SBI) has informed that, at present, it is not viable to open another Bank branch at village Jangla.

Writing off Loans of Cyclone Affected Farmers

2071. SHRI T.K. RANGARAJAN : Will the Minister of Finance be pleased to state:

Whether Government has any plans to write off the loans taken by farmers of Villupuram and Cuddalore Districts and Pondicherry who are affected by Thane Cyclone from public financial institutions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): In order to provide relief to bank borrowers in times of natural calamities, Reserve Bank of India has issued standing guidelines to banks. The relief measures, *inter-alia*, include conversion of the principal amount outstanding in the crop loans and agriculture term loans as well as accrued interest thereon into term loans for period ranging from 3 to 10 years depending upon the frequency of crop failures/intensity of damage to crops; treatment of converted/rescheduled agri-loans as 'current dues'; non compounding of interest in respect of loans converted/rescheduled; moratorium period of at least one year, while restructuring; relaxed security and margin norms; fresh crop loans and consumption loans for affected farmers. It has also been clarified that the accounts that are restructured for the second time or more on account of natural calamities would retain the same asset classification category on restructuring. Accordingly, for once restructured standard asset, the restructuring necessitated on account of natural calamity would not be treated as second restructuring, *i.e.*, the standard asset classification will be allowed to be maintained.

Strengthening of Indian Economy

2072. SHRI BIRENDER SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the services sector has been the power house of India's growth producing more than half of country's GDP for more than a decade now;

(b) whether country's industrial growth also, especially in its (industry's) labour intensive sub-sectors have been antidote to people's poverty;

(c) whether automobiles, rubber and plastics, chemicals etc. have recorded a robust double digit growth in 2009 and 2010; and

(d) the details of steps contemplated for the return of the economy to a steady growth path for the financial year 2011-12 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Yes, Sir. The share of services sector in country's Gross Domestic Product (GDP) has risen from 50.4 percent in 2000-01 to 59.0 percent in 2011-12 (advance estimates).

(b) Industrial growth has been antidote to poverty as the sector has generated additional employment of 36.1 million as per Usual Principal and Subsidiary Status (UPSS) basis during 1999-00 and 2009-10.

(c) During 2009-10 and 2010-11, automobiles, rubber and plastics, fabricated metal products, machinery and equipment and radio, TV and communication equipment segments had witnessed double digit growth. Whereas other industrial segments, including chemicals and chemical products, registered lower growth rates.

(d) While pursuing a prudent macroeconomic policy for achieving higher economic growth, specific measures taken to boost growth, *inter-alia*, include enhancing investment in the infrastructure sector through creation of Infrastructure Debt Fund, focusing on public private partnerships, announcement of new manufacturing Policy and a number of legislative measures to develop banking sector in India. High growth in private investment and addressing supply bottlenecks in agriculture, energy and transport sectors, particularly in coal, power, national highways, railways and civil aviation are also contemplated. The recent reduction in policy rates by 50 basis points by the Reserve Bank of India is expected to further contribute to improved growth prospects.

Diversion of Loan Meant for Marginal Farmers

2073. SHRI UPENDRA KUSHWAHA : Will the Minister of FINANCE be pleased to state :

(a) whether Government has fixed targets for disbursement of loans to small and marginal farmers during 2011-12;

(b) if so, the details thereof;

(c) whether Government achieved the targets and targets and if so, the number of small and marginal farmers were provided loans during 2011-12, State: wise;

(d) whether loans meant for small and marginal farmers were diverted to big and rich farmers by banks;

(e) the amount of loan taken by the farmers of Delhi and whether that is in consonance with the agricultural production of Delhi; and