

fiscal consolidation, monetary easing, increase in FDI, streamlining land acquisition and other sector specific reforms. About manufacturing the report recommends fast track implementation of National Manufacturing Policy, faster clearance of industrial projects, etc.

(d) The action plan of the Government to revive the economy, *inter-alia*, includes better access to finance for manufacturing sector, fast tracking of large investment projects in the areas of power, petroleum and gas, roads, coal, etc., use of buffer stocks to moderate food inflation, strengthening of financial and banking sector, reducing the volatility of exchange rate, etc. Certain specific measures taken by the Government to achieve the growth target, *inter-alia*, include enhancing the level of investment for agriculture sector including irrigation projects, promoting Micro Small and Medium Enterprises (MSME) sector by way of higher allocation of funds, enhancing investment in the infrastructure sector focusing on Public Private Partnerships, a number of legislative measures to develop the financial sector and introduction of a new National Manufacturing Policy, etc. The fiscal policy as enunciated in the Budget 2012-13 aims at reducing the fiscal deficit from 5.8 per cent in 2011-12 to 5.1 per cent in 2012-13, by restricting the expenditure on subsidies to under 2 per cent of GDP. This would be facilitated by the move towards nutrient based subsidy in fertilizers and the use of unique identity based 'Aadhaar' system for rationalizing subsidies. Steps have been taken to expedite the passage of Direct Tax Code Bill and evolving a consensus among stake holders in implementation of goods and services tax.

Guidelines of loan pre-payment

690. DR. PRADEEP KUMAR BALMUCHU:
SHRIMATI RENUKA CHOWDHURY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government has revised the guidelines in respect of loan pre-payment and directed the banks to stop the collection of pre-payment/penalty charges on loan foreclosure;

(b) if so, the details thereof; and

(c) the details of the implementation of these guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) Reserve Bank of India (RBI) has, informed that *vide* its circular dated 05.06.2012, all Scheduled Commercial Banks were advised not to charge foreclosure charges/pre-payment penalties on home loans. The aforementioned circular is available at RBI website www.rbi.org.in.