

(c) whether any such loans have been provided to the poor under this scheme; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d) As per extant guidelines of Reserve Bank of India (RBI) on Priority Sector Lending (PSL), all Scheduled Commercial Banks (SCBs) including Nationalised Banks are required to earmark 10% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure, whichever is higher, for Weaker Sections. Loans at concessional rate of interest are provided, *inter-alia*, under different Schemes:

- (i) The Interest Subvention Scheme is being implemented by the Government of India 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% per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payee farmers, *i.e.*, those who repay their loans in time. The additional subvention was 1% in 2009-10, 2% in 2010-11 and 3% in 2011-12. Interest subvention of Rs. 3282.70 crore was released by the Government in the year 2011-12, under this scheme. The Scheme is continuing in 2012-13 also.
- (ii) Under Differential Rate of Interest (DRI) Scheme, the banks provide loans to poor borrowers at concessional rate of interest of 4% per annum. The credit outstanding of Public Sector Banks (PSBs) under the Scheme was Rs. 729.03 crore for the year ended March, 2012.
- (iii) Full interest subsidy is made available for educational loans disbursed by scheduled banks on or after 1st April, 2009, during the period of moratorium for the students belonging to economically weaker sections, under 'Interest Subsidy' scheme of Ministry of Human Resource Development. Interest subsidy of Rs. 1616.42 crore has been released upto 30.09.2012 under the scheme.

Directives regarding reduction of bulk deposits

*296. DR. CHANDAN MITRA : Will the Minister of FINANCE be pleased to state:

(a) whether certain Public Sector Banks (PSBs) have shown their inability for compliance of directives regarding reduction of bulk deposits to 15 per cent of total deposits;

- (b) if so, the details of such PSBs;
- (c) the steps taken by Government to improve profitability and sound asset liability management in PSBs; and
- (d) the steps taken by Government to reduce growing non-performing assets of PSBs in a time-bound and phased manner?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) Public Sector Banks (PSBs) have not shown inability to comply with the directives of the Government regarding reduction of bulk deposits to 15 per cent of total deposits.

(c) The Government of India has issued an advisory on Asset Liability Management (ALM) to all PSBs on 06.07.2012 advising them to shed their High Cost deposits, with the objective to improve their profitability.

(d) The Government has advised Public Sector Banks to take a number of new initiatives to increase the pace of recovery and manage NPAs, which include appointment of Nodal officers for recovery, to conduct special drives for recovery of loss assets, to put in place early warning system, to replace system of post dated cheques with Electronic Clearance System (ECS) and to constitute a Board Level Committee to monitor progress in recovery of loans.

Production of iron ore and consumption of steel

*297. SHRI AAYANUR MANJUNATHA : Will the Minister of STEEL be pleased to state:

- (a) whether the share of domestic production of iron ore and consumption of steel in the country is declining whereas the share of import has increased during the last three years and if so, the details thereof;
- (b) the details of the net production of iron ore and per capita consumption of steel in the country during the said period;
- (c) the estimated demand and supply projections separately for public and private sectors; and
- (d) the steps taken or proposed to be taken to meet the projected demands?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA) : (a) and (b) The production of iron ore during the last three years has shown a declining trend, whereas consumption of steel during the last three years has been increasing. The share of