

from State Governments on debt restructuring, moratorium and waiver are generally dealt within the ambit of recommendation of Finance Commission.

During the award period of Twelfth Finance Commission (TFC), loans from Ministry of Finance amounting to Rs. 3,067.75 cr. have been consolidated for a fresh tenure of 20 years at an interest rate of 7.5% per annum. Consolidation resulted in interest relief of Rs. 599 cr. to the State. Further, Ministry of Finance loans amounting to Rs. 370.70 cr. were waived.

During the award period of FC-XIII, Central loans for Central Sector Schemes/ Central Plan Schemes (other than Ministry of Finance) outstanding as at the end of 2009-10, amounting to Rs. 32.68 cr. have been written off. With respect to loans from the National Small Saving Fund (NSSF), FC-XIII has recommended that loans contracted from the NSSF till 2006-07 and outstanding at the end of the year preceding the year of enactment/amendment of FRBMA be reset at 9% interest rate on the date of enactment/amendment of FRBMA. Punjab is estimated to get an interest relief of Rs. 703.34 cr. during the award period of FC-XIII.

Zero balance account for beneficiaries of Government programmes

†2212. SHRI KAPTAN SINGH SOLANKI : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that nationalised banks/post offices are reluctant to open zero balance accounts of beneficiaries for various Government assistance programmes;

(b) if so, whether Government has received complaints thereto;

(c) if so, the details thereof; and

(d) whether Government has fixed responsibility of anybody thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (d) The Reserve Bank of India (RBI) has advised all Scheduled Commercial Banks (SCBs) on 10.8.2012 to offer a 'Basic Savings Bank Deposit Account' and also convert existing basic banking 'no-frills' accounts to 'Basic Savings Bank Deposit Account'. Such accounts do not have the requirement of any minimum balance and comes with the facility of ATM Card or ATM-cum-Debit Card.

†Original notice of the question was received in Hindi.

However, the holders of such accounts are not eligible to open any other savings bank deposit account in that bank. Under Financial Inclusion, banks have already opened 3.16 crore accounts by March 31, 2012.

Strong law to check public money collection

†2213. SHRI MOTILAL VORA : Will the Minister of FINANCE be pleased to state:

- (a) whether Securities and Exchange Board of India (SEBI) has urged Government to make a law with more powers to check with companies which mobilise huge funds for dubious investment projects without taking Government's permission;
- (b) if so, Government's response thereto; and
- (c) by when a law in this regard would be enacted?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) Securities and Exchange Board of India (SEBI) has written to the Government seeking a well-defined framework for regulating money raising schemes like Multilevel Marketing Schemes, timeshare schemes, emu farming, gold purchase schemes, goat farming and deposit collection for real estate development.

(b) and (c) The proposal sent by SEBI requires extensive consultations with different Departments/Ministries in the Government of India and no time frame can be estimated for concluding the decisions that may emerge from this process.

Risk of rating downgrade to junk status

2214. SHRI Y.S. CHOWDARY : Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that India still stands in the risk of a ratings downgrade to junk status which sparked in sell off in Indian stocks and dragged down the rupee;
- (b) if so, the details thereof and reasons therefor; and
- (c) the steps taken/being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (c) During this calendar year, each of the "big three" rating agencies, namely Moody's Investors Service, Standard and Poor's (S&P), and Fitch Ratings, has reaffirmed India's sovereign credit rating at investment grade.

†Original notice of the question was received in Hindi.