

- (c) whether Government has undertaken any measures to remove supply-side constraints and other factors to reduce the level of core inflation;
- (d) if so, the details thereof; and
- (e) the impact of these measures?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) The core inflation which corresponds to inflation for non-food manufacturing products has moderated from its peak of 8.50 per cent in March, 2011 to 4.96 per cent in March, 2012 and is currently placed at 5.17 per cent in October, 2012. Apart from monetary measures taken by Reserve Bank of India which raised the policy rates by 375 basis points (bps) from March, 2010 to October, 2011, softening of the international and domestic prices for metals, chemicals and textiles products has contributed to moderation of this inflation.

(c) to (e) The non-food manufacturing products are fully tradeable and except for fertilizers (urea) none of these products are under administered price regime. Domestic prices for these products are governed both by domestic availability of these products and the global commodity prices. The production and investment in these sectors is largely dependent on the business expectation and conducive investment climate. The announcement of National Manufacturing Policy has been an important policy action to accelerate manufacturing growth. Government has already taken measures to improve business sentiments. It has also announced a road map for fiscal consolidation and has reduced uncertainty/apprehension relating to some of the provisions of the tax policy. Regulatory clearances for major projects are also being expedited to improve investment and production capacity in non food manufacturing sectors.

Impact of Coal-block de-allocations on banking

*19. SHRI M.P. ACHUTHAN: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Coal block de-allocations due to the Coalgate would have a collateral impact on the banking sector; and
- (b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) As per the data available with the Government, as on date there is no non-performing asset

in case of loans advanced by the banks to the companies which have been de-allocated coal blocks.

Need for Metro trains in Uttarakhand

†*20. SHRI MAHENDRA SINGH MAHRA: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Ministry feels the need to run Metro trains in two big cities of Uttarakhand *i.e.* Haldwani and Dehradun, keeping in view the future conditions in next fifty years;

(b) if not, whether running Metro trains in these cities would be taken into consideration, keeping in view the increasing urbanization and population; and

(c) if not, the details of alternative scheme to tackle increasing traffic inconvenience?

THE MINISTER OF URBAN DEVELOPMENT (SHRI KAMAL NATH): (a) The Union Government has decided to support preparation of Detailed Project Report (DPR) in all cities having two million and above population as per 2011 census, if a proposal is received from the State Government, after alternative analysis of various modes of transports, preparation of Comprehensive Mobility Plan (CMP) etc. No proposal for metro train in Haldwani and Dehradun has been received by this Ministry.

(b) Does not arise in view of (a) above.

(c) Urban Transport is intertwined with Urban Development which is a State subject. As such the initiatives for urban transport management have to be taken up primarily by the State/Urban Local Bodies (ULBs) level. However, realizing the seriousness of rapidly growing problem of urban transportation, the Central Government has taken active steps like formulation of the National Urban Transport Policy (NUTP), financing of buses for Urban Transport, Bus Rapid Transit System Projects, traffic transit management Centres under urban transport under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and sanction of metro railway projects for various cities.

†Original notice of the question was received in Hindi.