

by Regional Rural Banks (RRBs) in order to improve their functioning in order to help the weaker sections in lending; and

(b) if so, the details thereof and the steps taken in this direction during the Eleventh and Twelfth plan periods including Andhra Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) In order to enhance Capital to Risk Weighted Assets Ratio (CRAR) of RRBs and to improve their functioning, a scheme for recapitalisation of 40 financially weak Regional Rural Banks (RRBs) was started in 2010-11. The total estimated recapitalisation amount of Rs. 2200 crore was to be shared by the stake holders *viz.* Central Government (50%), State Government (15%) and Sponsor Banks (35%) in proportion of their share holding in RRBs.

So far, Central Government has released its share of Rs. 668.92 crore. With this, recapitalisation of 26 RRBs has been completed. The Government has extended the scheme till 2013-14..

No RRB had been identified for recapitalisation in the State of Andhra Pradesh.

Credit flow to productive sector

2392. SHRI A. ELAVARASAM: Will the Minister of Finance be pleased to state:

(a) whether the Reserve Bank of India (RBI) has asked the banks to ensure adequate credit flow to productive sectors of the economy as the apex bank noted that money supply growth has been below target and revised downwards its projection to 13 per cent from the earlier 14 per cent during the period; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Reserve Bank of India (RBI) has informed that as announced in their Third Quarter Review of Monetary Policy for 2012-13 on January 29, 2013, during the financial year so far, they have, *inter alia*, injected liquidity worth Rs. 1,257 billion by means of outright open market purchases through auction as well as lowered the Cash Reserve Ratio (CRR) by a cumulative 75 basis points,

thereby releasing Rs.525 billion of primary liquidity in the first round, for ensuring adequate credit flow to productive sectors of the economy.

Reserve Bank of India has informed that money supply growth has been below its indicative trajectory for 2012-13 so far. This essentially reflects the deceleration in growth of aggregate deposits and slowdown in economic activity. Keeping this in view, money supply growth projection for 2012-13 was scaled down to 13.0 per cent from 14.0 per cent. RBI has further informed that this is an indicative projection and not a target.

Charging of high price by pharma companies

2393. SHRI AVINASH RAI KHANNA: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether the Ministry of Corporate Affairs have sent a report to the Ministry regarding high price being charged by pharma companies on a number of medicines;
- (b) if so, the details thereof indicating the high margins being charged by the pharma companies, company-wise;
- (c) whether the action is being taken by the Ministry on the report; and
- (d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI GHULAM NABIAZAD): (a) to (d) The subject of pricing of drugs, including cancer drugs, falls within the purview of the National Pharmaceutical Pricing Authority (NPPA) in the Department of Pharmaceuticals under the Ministry of Chemicals and Fertilisers. The Ministry of Corporate Affairs, based on the study and analysis of Cost Audit Reports, has brought out a list of formulations where the concerned formulators were charging very high profit margins over their legitimate cost as under:-

- (i) Amlodipine
- (ii) Azithromycin
- (iii) Ciprofloxacin
- (iv) Metformin.