Bihar, 9206 such habitations were provided with banking facilities by March, 2012. In 2012-13, Swabhimaan was extended to habitations which had population of 1000 or more (2001 census) in North East and Hilly States and habitations which had a population of 2000 or more (2011 census). In Bihar 3052 villages with population of 1600 or more (2001 census) were identified. By December 2012, banking facilities have been extended to 145 habitations. The Government had not earmarked any funds for implementation of Swabhimaan scheme.

Merging of Indian Bank and Indian Overseas Bank

201. DR. E.M. SUDARSANA NATCHIAPPAN: Will the Minister of FINANCE be pleased to state whether Government is considering the sentiments of Federal and linguistic States as in practice while merging the banks such as Indian Bank (1930) and Indian Overseas Bank (1936) established by citizens of Tamil Nadu, Sivaganga Districts, Kanadu Kathan to have separate identity of State since only these two are nationalized banks from the State with largest branch network and customers base in India and overseas with 'Chettinadu Culture?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): There is no proposal with the Government for merging Indian Bank and Indian Overseas Bank.

Measures taken for fiscal consolidation

202. SHRI AVINASH PANDE: Will the Minister of FINANCE be pleased to state:

(a) the details of the planned fiscal consolidation over the period of the Twelfth Plan;

(b) the details of work map through which Government plans to adopt the recommendations of the Kelkar Committee; and

(c) the details of other steps does Government plan to take to reduce the current account deficit from 4.2 per cent in 2011-12 to 3.7 per cent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Government has decided to adopt the following plan of fiscal consolidation during the period of the 12th Plan, *i.e.* from 2012-13 to 2016-17:

Year	Fiscal Deficit as percent of GDP
2012-13	5.3
2013-14	4.8
2014-15	4.2
2015-16	3.6
2016-17	3.0

(b) This Committee was mandated to give a report outlining a roadmap for fiscal consolidation in a medium term framework in pursuit of the FRBM Act and related targets. The Committee was also charged with the task of introducing mid-term corrections in the current fiscal year 2012-13 and to chart a medium term framework on this basis, for the remaining time horizon of the Thirteenth Finance Commission.

(c) The current account deficit (CAD) had widened to 4.2 per cent in 2011-12 from 2.8 percent in 2010.11 In the first half (H1-April-September 2012) of 2012-13, it has further widened to 4.6 percent of GDP as against 4.0 per cent of GDP during H1 of 2011-12. This was mainly due to slowdown in exports on account of Eurozone crisis and higher imports of oil and gold. The Government has undertaken several measures to address the issue of CAD, which are as follows:

Measures to increase exports:

Under the Annual Supplement 2012-13 to Foreign Trade Policy 2009-14, the Government in June 2012 has announced a number of initiatives to boost exports in 2012-13. These mainly include (i) extension of interest subvention up to March 2013, (ii) extension of export promotion capital goods (EPCG) Scheme up to 31st March 2013, (iii) extension of Focus Market Scheme (FMS) and Special FMS Scheme and (iv) increased coverage under Focus Product Scheme. Further in December 2012, given the lackluster performance of exports sector due to global factors, the Government announced second round of incentives for export promotion, which mainly included (i) extension of interest subvention scheme for select employment oriented sectors (including SMEs in all sectors) up to end-March 2014, (ii) introduction of pilot scheme of 2 per cent interest subvention for project exports through EXIM Bank for countries of SAARC region, (iii) broadening the scope of Focus Market Scheme and Special Focus Market Scheme, Market Linked Focus Product Scheme and (iv) incentive on incremental exports to USA, EU and countries of Asia during the period January-March 2013 over the base period. Notwithstanding these measures, recovery in exports to major trading partners depend upon pickup in growth prospects both in advanced and emerging economics.

Measures to reduce imports

The Government has further enhanced the customs duty on gold and platinum from 4 to 6 per cent in January 2013 to lower the import of gold.

The Government has proposed to provide a link between the Gold ETF (Exchange Traded Fund) and the Gold Deposit Scheme with the objective to unfreeze or release a part of the gold physically held by mutual funds under Gold ETFs to enable them to deposit the gold with banks under the Gold Deposit Scheme. This would bring the gold lying in stock into circulation and will partly meet the requirements of the gems and jewellery trade. It is hoped that these measures would lead to moderation in the quantity of gold imported into the country. Apart from Gold ETFs, changes have been proposed under the Gold Deposit Scheme to make it more attractive for individuals to deposit their idle gold with the banks under the scheme. The minimum quantity of gold that may be deposited will be reduced and the minimum tenure of deposit will be reduced to six months from the present stipulation of three years.

Revised diesel prices and capped subsidized LPG cylinders to consumers to contain the fiscal burden of subsidies in September 2012. On January 17, 2013, oil marketing companies (OMCs) were permitted to raise diesel prices in small measures periodically.

These measures are expected to narrow the trade and current account deficit in the medium term.