

to 2011-12, as per these estimates. The slowdown in growth in 2012-13 is on account of lower growth in agriculture, industry and the services sector. The slowdown is attributable to both domestic factors as well as the uncertain global economic environment. Among domestic factors, the tightening of monetary policy during most of 2011-12 in order to control inflation, *inter alia*, resulted in the slowing down of investment and growth, particularly in the industrial sector. Global factors include, in particular, the crisis in the Euro-zone and sluggish growth in several industrialized economies in 2012.

Gold Jewellery loan portfolios of banks

221. SHRI BALWINDER SINGH BHUNDER: Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has suggested Banks to increase their gold jewellery loan portfolios to curb large scale import of gold;
- (b) if so, the details thereof;
- (c) the details of present gold jewellery loan portfolio of each Bank;
- (d) the target fixed by each Bank to increase the portfolio; and
- (e) the efforts being made to meet the target fixed by banks in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Reserve Bank of India (RBI) has informed that they have not advised banks to increase their gold jewellery loan portfolios.

(c) The bank-wise details of gold jewellery loan portfolios are not available. However, RBI's tentative estimation suggests that the banking system have gold loan portfolios of over Rs. 1 lakh crore as on 31.03.2012.

(d) and (e) No target has been fixed in this regard.

Coverage of NBFCs under Sarfaesi Act

222. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Non Banking Financial Companies (NBFCs) are covered within the scope of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) The Non-Banking Financial Companies (NBFCs) per se are not covered within the scope of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002. Clause (m) of sub-section (1) of section 2 of the SARFAESI Act defines the expression "financial institution" and further sub-clause (iv) empowers the Central Government to include any other institution or Non-Banking Financial Company as defined in clause (f) of section 45 I of the RBI Act, 1934 as "financial institution" for the purposes of SARFAESI Act.

This power has been exercised in respect of certain Housing Finance Companies, which have been notified as financial institutions for the purposes of the SARFAESI Act by the Government. However, no such notification has been issued in respect of NBFCs in general.

As a matter of policy, Reserve Bank of India (RBI) has recommended in the past to the Government to consider allowing NBFCs as Financial Institution (FI) to sell their Non Performing Assets (NPAs) to Securitization and Reconstruction companies for the limited purpose only instead of permitting them the rights of SARFAESI Act. The reasons for not recommending SARFAESI protection to NBFCs by RBI are that the level of NPAs was never high for NBFCs and repossession of hypothecated assets is already allowed to NBFCs.

Establishment of bullion corporation of India

223. SHRI BALWINDER SINGH BHUNDER: Will the Minister of FINANCE be pleased to state:

(a) whether Government intends to establish the Bullion Corporation of India;

(b) if so, the details thereof; and

(c) What are the benefits of establishing the Bullion Corporation of India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) No Sir.

(b) and (c) Does and apply in view of the reply (a) above.