

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JESUDASU SEELAM): (a) to (f) The recruitment to the posts of Chairman and Members, Central Board of Direct Taxes (CBDT) is governed by the Central Board of Direct Taxes (Chairman and Members) Recruitment Rules, 2006, as amended from time-to-time. The Selection Committee shortlists the name of suitable officers upon considering their candidature, service particulars and vigilance profile, etc. Thereafter, opinion of the Chief Vigilance Commission (CVC) is obtained in respected of the shortlisted candidates. Only those officers who are cleared by CVC are appointed as Members of CBDT on receipt of approval of the Appointment Committee of the Cabinet. Hence, no officer is appointed as Member of CBDT unless he/she is clear from vigilance angle.

Downfall in Economy

208. SHRIMATI RENUKA CHOWDHURY: Will the Minister of FINANCE be pleased to state:

(a) the details of downfall registered in the economy alongwith the measures taken to improve the situation during past one year, sector-wise;

(b) the details of deficit taking place in the banks during the same period; and

(c) the steps taken/being taken to deal with those challenges?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The sector-wise growth rate in Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices registered a decline in 2012-13 *vis-a-vis* 2011-12, as can be seen from the Table below.

***Table: Growth rate in Gross Domestic Product at constant (2004-05) prices
(percent)***

Sectors		2011-12*	2012-13 ^{PE}
1.	Agriculture, forestry and fishing	3.6	1.9
2.	Industry	3.5	2.1

	Sectors	2011-12*	2012-13 ^{PE}
3.	Service	8.2	7.1
4.	Gross Domestic Product at factor cost	6.2	5.0

Source: Central Statistics Office (CSO), PE: Provisional Estimates, *: First Revised Estimates.

The Government has taken several steps to revive growth in the economy that, *inter alia*, include measures to speed up project implementation via the creation of the Cabinet Committee on Investment (CCI); boost to infrastructure financing by encouraging Infrastructure Debt Funds, enhancement of credit to infrastructure companies; provision of greater support to MSMEs; strengthening of financial and banking sectors, etc. Initiatives by the Government also include liberalisation of FDI norms in several sectors including telecom; deregulation of the sugar sector; decision to launch inflation indexed bonds to incentivize households to save in financial instruments; fiscal consolidation through fiscal reforms *viz.* reduction in the subsidy of diesel, cap on the number of subsidized LPG cylinders; new gas pricing guidelines; measures to control the current account deficit and depreciation of the rupee, etc.

(b) and (c) During 2012-13, there have not been any deficits taking place in the banks. The banks have been disbursing credit to all productive sectors of the economy. As on June 28, 2013, gross bank credit recorded a growth of 13.1 per cent during the year. The profitability of banks is also satisfactory. However, the Gross Non-Performing Assets (GNPAs) of the Scheduled Commercial Banks (SCBs) stood at Rs. 1,37,102 crore as on March, 2012 (GNPA ratio 2.94%) and Rs. 2,05,961 crore as on June, 2013 (GNPA ratio 3.85%). Some of the initiatives taken by the Government and the Reserve Bank of India to contain NPAs include putting in place an effective mechanism for information sharing for sanction of fresh loans/ad-hoc loans/renewal of loans to new or existing borrowers with effect from January 1, 2013; constituting a Board level Committee for monitoring of recovery; thrust on recoveries of loss assets; issue of guidelines for effective NPA Management as part of early warning system; thrust on organizing Lok Adalats/Recovery Camps, etc.