

not exceeding five percent per annum where refinance of Government of India is available, would not be considered a violation of Base Rate Guidelines.

- (c) No, Sir.
- (d) Does not arise.

Inflation vis-a-vis growth rate

2081 SHRI D.P. TRIPATHI : Will the Minister of FINANCE be pleased to state :

- (a) whether it is fact that inflation in the country is more than the growth rate of the country;
- (b) if so, the details thereof; and
- (c) the details of steps Government is taking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) and (b) The detail of headline WPI inflation and GDP growth rate at factor cost is given below :

*WPI Headline Inflation and Gross Domestic Product growth rate at Factor Cost
at constant (2004-05) prices*

Year	2009-10	2010-11	2011-12	2012-13
GDP at factor cost, constant prices (2004-05)	8.6	8.9 [^]	6.7 @	4.5*
WPI Headline Inflation	3.8	9.6	8.9	7.4

* first revised estimates, @ second revised estimates, ^ third revised estimates

(c) The Government of India has taken several steps to increase the rate of growth in the economy that, *inter-alia*, include: measures to speed up implementation of projects through the Cabinet Committee on Investment; boost to infrastructure financing by encouraging Infrastructure Debt Funds and enhancement of credit to infrastructure companies; provision of greater support to micro, small and medium enterprises; and, strengthening of financial and banking sectors.

Besides, other initiatives by the Government include: liberalisation of FDI norms in several sectors including telecom; deregulation of the sugar sector; steps to boost manufacturing growth; fiscal consolidation through reforms of administered prices; new gas pricing guidelines; and, measures to control the current account deficit

The Government has also taken several fiscal and administrative measures to contain inflation. Some of them include Reducing import duties to zero - for wheat, onion and pulses; Banned export of edible oils (except coconut oil, forest based oil and edible oils in blended consumer packs up to 5 kg with a Minimum Export Price of USD 1500 per MT) and pulses (except Kabuli chana and organic pulses and lentils up to a maximum of 10000 tonnes per annum); Imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oils, and edible oilseeds for a period up to 30.9.2014 and in respect of paddy and rice up to 30.11.2014; Maintained the Central Issue Price (CIP) of rice (at Rs. 5.65 per kg for BPL and Rs. 3 per kg for AAY) since 2002; Suspended Futures trading in rice, urad and tur; Export of onion is calibrated through Minimum Export Price (MEP); Government allocated rice and wheat under OMSS.

Apart from the administrative and fiscal measures that the Government has undertaken to control inflation, the Reserve Bank has taken necessary monetary measures to moderate demand to levels consistent with the capacity of the economy. Between September 2013 and January 2014 the Reserve Bank increased the repo rate under the Liquidity Adjustment Facility (LAF) in three steps of 25 basis points each from 7.25 per cent to 3.0 per cent with a view to containing inflation and anchoring inflation expectations.

Fresh measures mooted by RBI to improve debt collection

2082. SHRI S. THANGAVELU : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India (RBI) proposes fresh measures to improve debt collection and early recognition of financial stress by banks to tackle the menace of bad loans;

(b) if so, the details thereof;