

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) Indian Banks' Association (IBA) *vide* its letter No.HR and IR/CIR/2013-14/589/8764 dated 30.01.2014, in consultation with the Department of Financial Services, Ministry of Finance, has issued comprehensive uniform guidelines for Pay fixation of Ex-servicemen upon their re-employment in Public Sector Banks (PSBs), including State Bank of India.

(b) Yes, Sir.

Government shares in Public Sector Enterprises

2825. SHRI SUKHENDU SEKHAR ROY: Will the Minister of FINANCE be pleased to state:

(a) whether Government has decided that Public Sector Undertakings (PSUs)/ Government companies will hold upto 75 per cent shares only, if so, the details thereof;

(b) If so, what would be the impact on financial health of PSUs; and

(c) Whether restructuring and pruning of employees in the PSUs are also in the agenda of Government, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) No Sir. However, a proposal to achieve and maintain at least 25% public shareholding by listed Public Sector Undertakings (PSUs) is under consideration of the Government.

(b) Do not arise in view of the reply (a) above.

(c) Restructuring is a continuous process in the PSUs and enterprise specific restructuring measures are taken by the concerned Administrative Ministries/Departments and the PSUs. This, *inter-alia*, includes (i) financial restructuring such as conversion of loan into equity, waiver of loan and interest including penal interest, Government guarantee for raising loans, grant of moratorium on payment of interest/loan, (ii) business restructuring, such as, formation of joint ventures, merger with another PSU, modernization and improved marketing strategies, etc. In order to rationalize manpower PSUs have resorted to Voluntary Retirement Scheme (VRS) from time to time. In case of PSUs found unviable and where a decision has been taken to close the unit it is Voluntary Separation Scheme (VSS) that is introduced. Retrenchment of employees is adopted only as the last resort and in exceptional circumstances.

Irregularities in waiving off agricultural loans

2826. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there were serious irregularities taken place in the

waiving off of agricultural loans;

(b) if so, the details thereof;

(c) whether CAG also pointed out about these irregularities;

(d) if so, the details thereof; and

(e) the steps being taken by Government on the erring officials responsible for these irregularities ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) to (e) The Performance Audit of the Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 was carried out by the Comptroller and Auditor General of India (CAG) from April, 2011 to March, 2012 which reported various errors of inclusion and exclusion at the beneficiary level.

Based on the feedback during Exit Conference with CAG on 7.12.2012, the Government on 11.1.2013 directed all institutions to take immediate corrective action, including recovery of such amounts from ineligible beneficiaries, recovery of any excess payment and fixing responsibility of the bank staff in appropriate cases.

Based on the re-verification exercise by lending institutions, recoveries of ₹ 627 crore have been made. In 5411 cases disciplinary action has also been initiated/taken against the staff by the lending institutions.

Measures for reviving economy

2827. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Prime Minister has recently claimed that Nation's economy is in bad shape;

(b) if so, the details thereof; and

(c) the details of measures Government has initiated or propose to initiate to revive and bounce back the Nation's economy ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) to (c) There has been a slowdown in the Indian economy in the recent years and the Prime Minister has expressed concern about this. The Government is committed to revive growth. Several measures have been outlined in the Union Budget 2014-15 to improve growth in the economy that, *inter-alia*, include: (i) fiscal consolidation with emphasis on expenditure reforms; (ii) initiatives for skill development including in rural areas; (iii) proposals to boost agriculture via