1	2	3	4	5
Lakshadweep		1		
Madhya Pradesh	268	497	386	27
Maharashtra	607	874	565	43
Manipur	20	24	4	2
Meghalaya	20	27	4	1
Mizoram	15	12	8	2
Nagaland	20	15	3	2
NCT of Delhi	165	186	176	23
Odisha	227	454	355	18
Puducherry	17	17	19	1
Punjab	496	686	413	17
Rajasthan	408	482	475	50
Sikkim	8	14	8	1
Tamil Nadu	614	758	651	33
Telangana	309	329	335	33
Tripura	40	45	14	1
Uttar Pradesh	878	1,584	990	65
Uttarakhand	126	149	159	5
West Bengal	295	446	370	29
ALL INDIA	7,858	11,129	8,347	641

Source: Master File of DSIM, RBI as on 27.11.2015.

Impact of reduction in interest rates by PSBS

1029. SHRI KIRANMAY NANDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has reduced interest rates on various schemes;

(b) if so, the details thereof along with the objective laid down by the Government for reduction in the interest rates; and

(c) whether the reduction in the interest rate might impact the banks ability to manage NPAs and if so, the details thereof along with the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) The Reserve Bank of India (RBI) has deregulated the interest rates on term deposits from October, 1997. Accordingly, banks are now free to fix the interest rates on term deposits subject to the approval of their respective Boards. The Reserve Bank has also deregulated the savings bank deposit interest rate with effect from October 25, 2011. Accordingly, banks are now free to determine their savings bank deposit interest rate, subject to the following two conditions:

(i) Each bank is required to offer a uniform interest rate on savings bank deposits up to ₹ 1 lakh;

(ii) For savings bank deposits over ₹ 1 lakh, a bank may provide differential rates of interest, if it so chooses. However, there should not be any discrimination from customer to customer on the interest rates for similar amount of deposit.

With the introduction of Base Rate system since July 1, 2010, all rupee lending rates (including advances up to ₹ 2 lakh) have been deregulated. In a deregulated environment, banks have complete freedom in deciding their spread, risk premia, term premia and other customer specific charges as considered appropriate on the loans and advances based on their commercial judgment. However, there are some exceptions where the loans can be priced without reference to the Base Rate, such as, Differential Rate of Interest (DRI) advances, loans to banks' own employees and loans to banks' depositors against their own deposits.

So far as small savings schemes are concerned, Government has made no reduction in the interest rates.

(c) As far as managing NPAs is concerned, the Reserve Bank of India (RBI) and the Government of India have taken several legal and procedural steps to ensure better recovery of loans from different sectors and for the improvement in asset quality of banks. Banks have been instructed to have a Board approved loan recovery policy and take recourse to legal mechanisms like SARFAESI Act, 2002, Debt Recovery Tribunals and Lok Adalats apart from information sharing and systems of early detection of distress for which RBI has issued guidelines on 30th January, 2014.

Government has decided to establish six new Debt Recovery Tribunals (DRTs) to speed up the recovery of bad loans of the banking sector.

Plan to reduce expenditure, subsidies through disinvestment

1030. SHRI PRAVEZ HASHMI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has any plan to reduce expenditure, subsidies and raise money through disinvestment; and

(b) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) The budget estimate (BE) for Expenditure, Subsidies and Disinvestment during the year 2015-16 is as under:

Sl. No.	Items	Amount (₹ crore)
1.	Total Expenditure	1777477
2.	Subsidies	243811
3.	Disinvestment Receipts	69,500

As per the precedence, the revised estimates (RE) for the above items for 2015-16 will be provided at the time of presentation of the Budget 2016-17.

Government has deregulated the petrol and diesel prices, and has also launched a new universal Direct Benefit Transfer Scheme for LPG from 1st January, 2015 onwards which covers both Aadhaar card and non-Aadhaar card holders in which the subsidy is being transferred directly into the bank accounts of cash-transfer-compliant customers in a manner that will avoid duplication and prevent leakages. The Government has also launched a dedicated scheme for end-to-end computerization of Public Distribution System throughout the country. 11 states have already joined the National Food Security Act (NFSA) framework, and as the required systems are in place, the other states will follow suit. The Government has simultaneously launched a drive to ensure universal coverage of Aadhaar throughout the country. End-to-end computerization, combined with universal Aadhaar coverage will help improve the targeting efficiency of PDS system in the country. The Nutrient Based Subsidy (NBS) regime in Phosphatic and Potassic (P&K) fertilizers sector is working efficiently since 01.04.2010 which has since been further rationalized