financial parameters and conditions for an appropriate incentive scheme to reward excellence in productivity, performance and integrity.

(b) and (c) The Seventh Central Pay Commission in para 5.1.46 of its Report has stated that it believes that employees who are not able to meet the laid down performance criterion should not be allowed to earn future annual increments. The Commission has, therefore, proposed withholding of annual increments in the case of those employees who are not able to meet the benchmark either for MACP or a regular promotion within the first 20 years of service. The Commission has further proposed that this will act as a deterrent for complacent and inefficient employees. However, the Commission has stated that this is not a penalty.

Cost ineffective procurement procedure of Kendriya Bhandar

2619. SHRI RAM KUMAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether Chief Advisor Cost has submitted a report stating that procurement of stationery and other general items from Kendriya Bhandar is not cost effective;

(b) whether a copy of the said report will be laid down on the Table of the Sabha;

(c) whether the Ministries and Government departments were purchasing stationery etc. from Kendriya Bhandar since 1981 continuously and there was no complaint from any quarter regarding charging rates by Kendriya Bhandar; and

(d) whether Government departments are purchasing stationery etc. at MRP from private traders and, if so, the steps taken to save precious public money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Yes, Sir.

(b) No, Sir.

(c) and (d) Information is being collected from all Central Government Ministries/ Departments.

Sovereign Gold Bond Scheme

2620. SHRI K. R. ARJUNAN: Will the Minister of FINANCE be pleased to state:

(a) whether under the 'Sovereign Gold Bond' Scheme upside gains and downside risks have to be born by the investors; and

(b) if so, what is the rationale behind it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) Yes, Sir. The Sovereign Gold Bond Scheme is an alternate investment which mimics investment in gold. The investor's position is the same as if he had invested in gold. The price of the gold bond fluctuates with movements in marker price of the gold. An investor who takes exposure to a market linked asset like gold will be exposed to either upside gains or downside risks. However the investor is protected in terms of the underlying quantity of gold and thus, he never losses or gains in terms of the quantity of gold. In addition the investor receives interest on the investment made.

Comparison of stressed assets in commercial banks *vis-a-vis* PSBs

2621. SHRI PAUL MANOJ PANDIAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to Reserve Bank of India data, five sectors had 52 per cent of total stressed advances of all commercial banks, as of June, 2014 whereas in the case of public sector banks it was at 54 per cent, if so, the details thereof;

(b) whether it is a fact that Government is also in process of framing a Bankruptcy Code aimed to tackle willful default and a draft paper was recently released; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Reserve Bank of India's (RBI) Financial Stability Report (FSR) June, 2014 states that there are five sub-sectors: infrastructure (which includes power generation, telecommunications, roads, ports, airports, railways [other than Indian Railways] and other infrastructure), iron and steel, textiles, mining (including coal) and aviation services which contribute significantly to the level of stressed advances. The share of these five stressed sub-sectors to the total advances of Scheduled Commercial Banks (SCBs) is around 24 per cent, with infrastructure accounting for 14.7 per cent. Share of these five sub-sectors in total advances is the highest for public sector banks which is 27.3 per cent. Industry-wise (Public Sector Banks) details as on June 2014 are given in Statement (*See* below).

(b) and (c) A Bankruptcy Law Reforms Committee (BLRC) set up on 22.8.2014 for providing an entrepreneur friendly legal bankruptcy framework for India as announced in the Budget Speech (2014-15) submitted its Report and draft Bill to the Finance Minister on 4.11.2015. The Report is in two parts: Volume I - titled "Rationale and Design" and Volume II - titled "Draft Insolvency and Bankruptcy Bill". The Report, along with a brief