

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) and (b) Sir, the Government has not lowered interest rate on small savings scheme for the quarter starting from 01.10.2017 to 31.12.2017. However, the interest rates on all small savings scheme except Post Office Savings Account were lowered by 10 basis points for the quarter starting from 01.07.2017 to 30.09.2017.

(c) and (d) The interest rates of small savings schemes are not linked to those on bank domestic term deposits and savings account. The banks are free to fix interest rates on banks deposits. The lowering of interest rates on Small Savings would reduce differential competition for Banks in raising more deposits. This may induce them to lower their deposit and lending rates voluntarily.

#### **Review of CAG accounts books by external auditors**

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

(a) whether the Comptroller and Auditor General (CAG) has not subjected its account books to any external auditors for assessment since independence;

(b) if so, the reasons therefor; and

(c) the steps taken by Government to suitably amend the CAG (Duties, Powers and Conditions of Services) Act to ensure peer review of CAG account books by external auditors and put their audit reports on website for public viewing, a practice followed by all democratic countries all over the world?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) Yes., account books of CAG are not subjected for assessment by external auditors.

(b) Under Article 151 of the Constitution, the powers of audit in relation to all accounts including the accounts of expenditure of the office of the CAG and his Department are vested in the CAG. Entrustment of the audit of the CAG's accounts to any other authority would be *ultra vires* of this provision. This interpretation of the Constitutional provision was upheld by the Attorney General at the time of framing of the CAG's DPC Act, 1971.

Further, the C&AG has a well-established system of audit of expenditure/sanctions and inspection of offices by independent offices/wings within the Department. Also,

in order to ensure that our processes and procedures are subject to rigorous and independent scrutiny, we have a system of peer reviews of individual field audit formations by other audit formations (within the Department), as well as peer reviews of the activities of the Department as a whole by teams from audit offices of other countries.

- (c) At present, there is no such proposal under consideration.

#### **Stagnant rate of inflation**

†390. SHRI PRABHAT JHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that retail inflation rate is under control for the last many months as per the expectations and is in accordance with the target fixed by Reserve Bank of India;

(b) if so, the details thereof;

(c) whether it is a fact that the cost of foodgrain items has not increased for the last many months and the cost of many foodgrain items have reduced substantially; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) to (d) The Government has fixed the inflation target of 4 per cent with tolerance level of +/- 2 per cent for the period beginning from 5th August, 2016 to March 31, 2021. As per the information available, the Consumer Price Index - combined (CPI-C) based inflation has declined to 3.0 per cent in 2017-18 (April-November) from 4.5 per cent in 2016-17 and 4.9 per cent in 2015-16. Cereals and products group inflation based on CPI-C averaged 4.1 per cent in 2017-18 (April-November) as compared to 4.2 per cent in 2016-17 and 1.8 per cent in 2015-16. Inflation for pulses and products group declined to (-) 22.0 per cent in 2017-18 (April-November) as compared to 9.3 per cent in 2016-17 and 31.9 per cent in 2015-16.

#### **Investigation of top 100 NPA account holders**

391. SHRI SANJAY SETH: Will the Minister of FINANCE be pleased to state:

(a) the percentage of Non-Performing Assets (NPAs) of public/private sector banks during the last three years and the current year along with the percentage of NPAs recovered during the said period;

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†Original notice of the question was received in Hindi.