

and above are available in public domain on the websites of Credit Information Companies (CICs). RBI has also apprised that the list of non-suit filed defaulters of ₹ 1 crore and above and non-suit filed wilful defaulters of ₹ 25 lakh and above is confidential in nature and is exempted from disclosure under Section 45E of the Reserve Bank of India Act, 1934. Further, RBI, *vide* circular dated 27.6.2014, has advised all banks/financial institutions to submit the said list to all CICs directly and not to RBI from December 2014 onwards.

RBI has also apprised that, in a pending case, it has submitted to Supreme Court a list of defaulters above ₹ 500 crore in a sealed cover, claiming that the said information is confidential, and has requested that it may not be revealed to the public. The matter is under the consideration of Supreme Court.

RBI has also apprised that a lending institution can consider publication of the photographs of only those borrowers who have been declared as wilful defaulters following the mechanism set out in RBI instructions, for which the lending institutions shall formulate a policy with the approval of their Board of Directors which clearly sets out the criteria based on which the decision to publish the photographs of a person covered in paragraph above will be taken by them so that the approach is neither discriminatory nor inconsistent.

#### **Negative impact of demonetisation on economy**

878. SHRI NEERAJ SHEKHAR:

SHRI RAVI PRAKASH VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether demonetisation was a massive, draconian and monetary shock that accelerated economic slowdown and economic growth was 6.8% for seven quarters after demonetisation against 8% prior to demonetisation;

(b) if so, the details thereof and response of Government thereto; and

(c) the details of measures Government would take to compensate the economic loss to the country and ultimately the people due to demonetisation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) and (b) The temporary growth slowdown has dissipated and the growth of the economy has improved significantly. There was a

reversal in declining growth trend from second quarter of 2017-18, when the GDP growth of the economy started to pick up.

The average growth of Gross Domestic Product (GDP) at constant (2011-12) prices since third quarter (October-December) of 2016-17 to first quarter (April-June) of 2018-19 was 6.8 per cent. The growth rates of GDP at constant prices of each quarter since 2015-16 are given in the table below.

Year	Quarter	GDP growth (per cent)
2015-16	Q1	7.7
2015-16	Q2	8.2
2015-16	Q3	7.3
2015-16	Q4	9.3
2016-17	Q1	8.1
2016-17	Q2	7.6
2016-17	Q3	6.8
2016-17	Q4	6.1
2017-18	Q1	5.6
2017-18	Q2	6.3
2017-18	Q3	7.0
2017-18	Q4	7.7
2018-19	Q1	8.2
2018-19	Q2	7.1

(c) Promoting economic growth of the economy is of utmost priority for the Government. The Government of India has taken various steps to boost the GDP growth of the economy. These, *inter alia*, measures to improve ease of doing business, concrete measures for transport sector including measures for regional connectivity and power, comprehensive reforms in the foreign direct investment policy and special package for manufacturing sectors.

The introduction of the Goods and Services Tax (GST) has provided a significant opportunity to improve growth momentum by reducing barriers to trade, business and related economic activities. The Union Cabinet approved a significant increase in the

Minimum Support Prices (MSPs) for all Kharif and Rabi crops for 2018-19 season, in order to provide major boost to farmer's income. The Government has launched a phased programme for bank recapitalization entailing infusion of capital to the Public Sector banks, which is expected to encourage banks to enhance lending. Budget 2018-19 included various measures to provide a push to the economy, which among others, include major push to infrastructure *via* higher allocation to rail and road sector, reduced corporate tax rate of 25 per cent for companies with turnover up to ₹ 250 crore which is expected to help 99 per cent of Micro, Small and Medium Enterprises (MSMEs) etc. The Government launched a support and outreach programme for helping the growth, expansion and facilitation of MSME sector.

**Amalgamation of RRBs within a State**

879. SHRIMATI AMBIKA SONI:

DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government initiated consolidation of Regional Rural Banks (RRBs) along with public sector lenders;
- (b) if so, the reasons and the details thereof;
- (c) whether there is a proposal for amalgamation of RRBs within a State, if so, the details thereof; and
- (d) the details of efforts taken to improve the financial strength of RRBs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (c) The Government is planning to further consolidate the RRBs in India among themselves not along with public sector lenders. With a view to enable Regional Rural Banks (RRBs) to minimise their overhead expenses, optimise the use of technology, enhance the capital base and area of operation and increase their exposure, the Government has initiated the process of consolidation of RRBs in the country. NABARD has suggested a roadmap which proposes to bring down the number of RRBs to 38 from the present 56.

The views of the concerned State Governments and Sponsor Banks are sought on individual cases of amalgamation included in the roadmap and the same are considered, in consultation with NABARD, before taking a final decision.