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Title: Statement regarding status of implementation of the recommendations contained in the 16<sup>th</sup> and 11<sup>th</sup> Reports of the Standing Committee on Finance on Demands for Grants (2009-10 and 2010-11, respectively), pertaining to the Department of Economic Affairs, Financial Services, Expenditure and Disinvestment, Ministry of Finance.

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MADAM SPEAKER: Now, the House will take up Item no. 13, "Statements by Ministers". Shri Namo Narain Meena.

...(Interruptions)

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): On behalf of Shri Pranab Mukherjee, I deem it my privilege to lay a Statement on the status of implementation of recommendations contained in the 16<sup>th</sup> (2009-10) and 11<sup>th</sup> (2010-11) Reports of the Department of Economic Affairs, Financial Services, Expenditure and Disinvestment of the Standing Committee on Finance (15<sup>th</sup> Lok Sabha) in pursuance of Direction 73-A of the hon. Speaker, Lok Sabha *vide* Lok Sabha Bulletin Part II, dated 1<sup>st</sup> September, 2004.

The 16<sup>th</sup> and 11<sup>th</sup> Reports of the Standing Committee on Finance (15<sup>th</sup> Lok Sabha) were laid in the Rajya Sabha on 19<sup>th</sup> April, 2010. The 16<sup>th</sup> Report relates to examination of Demands for Grants (2009-10). In the Report, the Committee deliberated on various issues and made eight (8) recommendations, where action is called for on the part of the Government. These recommendations mainly pertain to issues including fiscal consolidation envisaged under the FRBM Act, steps being taken by the Government to bring about reforms in the FRBM Act, action plan to provide banking facilities in all un-banked and under-banked areas within a stipulated period. Viability of Banking Correspondents/Facilitators (BC/BF) model vis-à-vis bank branches and viability of technology service providers, compliance of private sector banks to the targeted addition of 250 rural household accounts, concrete measures to be taken by the Government for more stringent guidelines/instructions to be followed by credit card issuing banks including large-scale awareness campaign to educate customers about credit card services of banks, compliance of banks with the Master Circular issued by the RBI in respect of advanced methods to be used by credit card issuing banks to prevent fraud, etc.

The 11<sup>th</sup> Report relates to examination of Demands for Grants (2010-11). In the Report, the Committee deliberated on various issues and made eighteen (18) recommendations, where action is called for on the part of the Government. These recommendations mainly pertain to issues like utilization of funds under the National Social Security Fund for unorganized sector workers, utilization of Budgetary provisions for supporting infrastructure projects through Viability Gap Funding, measures being taken to contain the deficit, while reducing debt burden of the Government, both for the Centre and the States, regulation of Unit Linked Insurance Products (ULIPs), Financial Inclusion Fund and Financial Inclusion Technology Fund, financial inclusion, Banking Correspondents/Banking Facilitators performance of commercial banks lending to agriculture and weaker sections, increase in net Non-Performing Assets of the banks, non-utilization of funds/surrender of unutilized funds by the Ministries/Departments, decline in capital expenditure of the Central Government, utilization of disinvestment proceeds, review of disinvestment policy, etc.

Action Taken Statements on the recommendations/observations contained in the 16<sup>th</sup> and 11<sup>th</sup> Reports had been sent to the Standing Committee on Finance on 30<sup>th</sup> August, 2010 and 23<sup>rd</sup> August, 2010 respectively. Present status of implementation of the recommendations made by the Committee in the 16<sup>th</sup> and 11<sup>th</sup> Reports is indicated in Annexure I and Annexure II respectively.

I would not like to take the valuable time of the House to read out the contents of the Annexures. I would request that these may be taken as read.

...(Interruptions)

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