

- ii. Debts owed to the Ministry of Finance, amounting to Rs.19725.81 crore have been waived for States based on their fiscal performance during TFC's award period.

In accordance with the recommendations of the Thirteenth Finance Commission, the following public debt and interest relief measures have been extended to the States, upon their enactment/amendment of the prescribed FRBMA:

- i. Central loans from Ministry of Finance contracted till 31.3.2004 and outstanding as on 31.3.2010, amounting to Rs. 113.45 crore and Rs. 8633.50 crore in respect of the two States, Sikkim and West Bengal respectively, which enacted their FRBMAs in 2010-11, were consolidated for a fresh tenure of twenty years from 1.4.2010 at an interest rate of 7.5% per annum.
- ii. A decision to write-off loans for Centrally Sponsored Schemes/Central Plan Schemes (raised from ministries other than Ministry of Finance) outstanding at the end of 31.3.2010 has been taken. Central loans amounting to Rs.2050 crore have been written off so far.
- iii. Loans contracted by States from the National Small Savings Fund till 2006-07, and outstanding at the end of year preceding the year of amendment/enactment of FRBMA, have been reset at 9% interest rate from the date of amendment/enactment of the FRBMA. Interest relief benefit of Rs.36.08 crore for 2010-11 and Rs.1060.21 crore for 2011-12 has been extended to the States so far.

Insurance penetration in the country

4234. SHRI Y.S. CHOWDARY : Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that insurance and life insurance penetration has fallen in 2010-11 as compared to 2009-10;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps or measures taken to improve the awareness level about insurance policies across the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) and (b) The Insurance Regulatory and Development Authority (IRDA) has informed that the total insurance penetration, which is the ratio of insurance premium as a percentage of GDP has increased from 2.32 in 2000-01 to 5.10 in 2010-11. The life insurance penetration has decreased from 4.60 in 2009-10 to 4.40 in 2010-11, whereas the non-life insurance penetration has increased from 0.60 in 2009-10 to 0.71 in 2010-11.

The insurance penetration is impacted by several macro-economic factors such as growth, inflation, interest rates, small savings return and returns of competing financial products offered by banks and mutual funds.

(c) The IRDA undertakes a sustained insurance education campaign under the brand name *Bima Bemisaal*. The campaign seeks to educate the uninsured and the insured about the need for insurance, rights, obligations of policyholders etc. through various media channels viz. print, radio and television. IRDA also supports consumer bodies in conducting seminars and workshops on insurance in various parts of the country in order to create awareness about insurance. The *Bima Bemisaal* campaign is carried out in various Indian languages including Hindi, apart from English. IRDA has also brought out educational material for the public and policyholders. Further, to create awareness, IRDA over the last two years has started conducting yearly seminars exclusively on policyholder protection and welfare that brings together all stakeholders including consumer representatives.

New measures for assessment of PSB performance

4235. SHRI ISHWAR SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government has recently decided to measure the performance of Public Sector Banks across the country by adopting new rules;

(b) if, so the details thereof;

(c) whether the level of credit and deposit growth rate parameter have been kept away in measuring performances of Public Sector Banks; and

(d) if so, to what extent the new parameter adopted by Government to measure performances of Public Sector Banks will impact the functioning of such banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (d) Annual targets on parameters under Statement of Intent (SOI) are fixed and performance of Public Sector Banks (PSBs) on these parameters is reviewed by the Government. The targets on percentage growth in advances and deposits have been deleted for the year 2011-12. However, the productivity targets of 'advances per employee' and 'deposit per employee' remain in the SOI. The review of performance, therefore, would be based on these productivity parameters in so far as performance of PSBs on 'advances' and 'deposits' is concerned.

Amending bilateral investment treaties

4236. SHRI A. ELAVARASAN : Will the Minister of FINANCE be pleased to state:

(a) whether rattled by threats from foreign companies to drag India to international courts over breach of investment promises, Government has decided to