

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO: 741
TO BE ANSWERED ON THE 14th DECEMBER, 2018 / AGRAHAYAN 3, 1940
(SAKA)

QUESTION
GROSS ADVANCES BY BANKS

**741: SHRI PRATHAP SIMHA:
KUMAR SHOBHAKAR AND LAJE:**

Will the Minister of FINANCE be pleased to state:

- a) whether the gross advances by Public Sector Banks (PSBs) increased significantly between 2008 to 2014;
- b) if so, the details of Non-Performing Assets (NPAs) of various PSBs as on date, bank-wise;
- c) whether between April 2014 and April 2018, the country's 21 State-owned banks ended up writing off Rs. 3,16,500 crore of loans even as they recovered Rs. 44,900 crore written off on a cumulative basis or less than one-seventh the write-off amount; and
- d) if so, the details thereof, bank-wise and the reasons therefor?

ANSWER

**To be answered by
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)**

(a) and (b): As per Reserve Bank of India (RBI) data on domestic operations, the aggregate gross advances of Public Sector Banks (PSBs) increased from Rs. 16,98,109 crore as on 31.3.2008 to Rs. 45,90,570 crore as on 31.3.2014. As per RBI inputs, the primary reasons for spurt in stressed assets have been observed to be, *inter-alia*, aggressive lending practices, wilful default / loan frauds / corruption in some cases, and economic slowdown. Asset Quality Review (AQR) initiated in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of non-performing assets (NPAs). As a result of AQR and subsequent transparent recognition by PSBs, stressed accounts were reclassified as NPAs and expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were provided for. During the financial year 2017-18, all such schemes for restructuring stressed loans were withdrawn. Primarily as a result of transparent recognition of stressed assets as NPAs, gross NPAs (GNPAs) of PSBs have increased. Bank-wise details of GNPAs of PSBs,

as per RBI data on domestic operations, as on 30.9.2018 (provisional data), are at Annexure-I.

(c) and (d): As per RBI guidelines and policy approved by bank Boards, non-performing loans, including, *inter-alia*, those in respect of which full provisioning has been made on completion of four years, are removed from the balance-sheet of the bank concerned by way of write-off. Banks write-off NPAs as part of their regular exercise to clean up their balance-sheet, tax benefit and capital optimisation. Borrowers of such written-off loans continue to be liable for repayment. Recovery of dues takes place on ongoing basis under legal mechanisms, which include, *inter-alia*, the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act), and Debts Recovery Tribunals. Therefore, write-off does not benefit the borrower. As per RBI data on global operations for PSBs, during the financial years 2014-15 to 2017-18, the aggregate amount of reduction in NPAs due to write-offs (including compromise) was Rs. 3,16,515 crore. Recovery under relevant legal processes from written-off accounts may extend beyond the financial year in which the account is written off. As per RBI data on global operations for PSBs, during the financial years 2014-15 to 2017-18, PSBs recovered Rs. 2,33,339 crore, of which Rs. 32,693 crore was from written-off accounts. Bank-wise, year-wise details of written off amount and recoveries are at Annexure-II and Annexure-III respectively.

Annexure-I

Lok Sabha Unstarred Question No. 741, for 14.12.2018

Gross Non-Performing Assets of Public Sector Banks, as on 30.9.2018

Amounts in crore Rs.

S. N.	Bank	Gross NPAs
1	Allahabad Bank	27,065
2	Andhra Bank	27,623
3	Bank of Baroda	46,454
4	Bank of India	50,338

5	Bank of Maharashtra	16,873
6	Canara Bank	41,907
7	Central Bank of India	37,411
8	Corporation Bank	22,400
9	Dena Bank	16,140
10	IDBI Bank Limited	50,690
11	Indian Bank	12,015
12	Indian Overseas Bank	35,607
13	Oriental Bank of Commerce	25,673
14	Punjab and Sind Bank	7,202
15	Punjab National Bank	80,993
16	Syndicate Bank	24,922
17	UCO Bank	28,822
18	Union Bank of India	48,575
19	United Bank of India	15,163
20	Vijaya Bank	7,557
21	State Bank of India	2,02,179

Source: RBI (domestic operations, September 18 provisional data)

Annexure-II

Lok Sabha Unstarred Parliament Question No. 741, for 14.12.2018
Reduction in NPAs of Public Sector Banks – due to write-offs (including compromise)

Amounts in crore Rs.

SN	Bank	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
1	Allahabad Bank	2,109	2,126	2,442	3,635
2	Andhra Bank	1,124	814	1,623	1,666
3	Bank of Baroda	1,563	1,554	4,348	4,948
4	Bank of India	866	2,374	7,346	8,976
5	Bank of Maharashtra	264	903	1,374	2,460
6	Canara Bank	1,472	3,387	5,545	8,310
7	Central Bank of India	1,386	1,334	2,396	2,924
8	Corporation Bank	779	2,495	3,574	8,228
9	Dena Bank	515	760	833	661
10	IDBI Bank Limited	1,609	5,459	2,868	12,515
11	Indian Bank	550	926	437	1,606
12	Indian Overseas Bank	2,087	2,067	3,066	6,908
13	Oriental Bank of Commerce	925	1,668	2,308	6,357
14	Punjab and Sind Bank	263	335	491	460
15	Punjab National Bank	5,996	6,485	9,205	7,407
16	Syndicate Bank	1,055	1,430	1,271	2,400
17	UCO Bank	0	1,573	1,937	2,735
18	Union Bank of India	931	792	1,264	3,477
19	United Bank of India	761	649	714	1,867
20	Vijaya Bank	791	510	1,068	1,539
21	State Bank of India (SBI)	21,303	15,955	20,339	39,151
22	State Bank of Bikaner and Jaipur	363	643	1,560	Merged with SBI
23	State Bank of Hyderabad	355	1,204	1,430	
24	State Bank of Mysore	740	588	161	
25	State Bank of Patiala	755	1,156	3,528	
26	State Bank of Travancore	456	398	556	

Source: RBI (global operations)

Lok Sabha Unstarred Parliament Question No. 741, for 14.12.2018

Recoveries of Public Sector Banks

Amounts in crore Rs.

S. N.	Bank	FY 2014-15		FY 2015-16		FY 2016-17		FY 2017-18		*Write-offs are done after full provisioning and as per RBI's guidelines and policy approved by bank Boards, non-performing loans, including, <i>inter-alia</i> , those in respect of which full provisioning has been made on completion of four years, are removed from the balance-sheet of the bank concerned by way of write-off. Further, the process of recovery of dues from the borrower in such loan accounts continues and, therefore, the write-off does not benefit the borrower. Recovery under relevant legal processes from written-off accounts may extend beyond the financial year in which the account is written off.
		Actual recovery	Recovery from WA*	Actual recovery	Recovery from WA*	Actual recovery	Recovery from WA*	Actual recovery	Recovery from WA*	
.	Allahabad Bank	827	257	2,465	0	1,612	0	2,086	0	
.	Andhra Bank	1,156	76	729	0	1,204	0	1,598	128	
.	Bank of Baroda	1,493	0	1,481	221	4,088	327	1,416	621	
.	Bank of India	2,985	363	3,555	243	4,640	255	13,940	408	
.	Bank of Maharashtra	430	98	645	68	810	38	1,765	138	

.	CanaraBank	1,896	1,693	1,279	313	1,278	489	2,241	236
.	CentralBank of India	3,430	0	3,087	111	2,600	121	3,077	410
.	CorporationBank	318	99	477	106	491	136	697	318
2.	Dena Bank	595	34	728	66	1,120	115	931	142
1.	IDBI Bank Limited	1,159	54	875	140	1,413	159	6,840	219
2.	Indian Bank	562	0	526	353	739	150	575	249
3.	Indian Overseas Bank	2,602	0	1,806	7	2,117	1	4,505	3
4.	OrientalBank of Comm.	1,010	431	1,149	234	1,348	291	2,235	264
5.	Punjab and Sind Bank	190	42	217	34	190	26	418	49
6.	Punjab National Bank	4,220	1,017	6,009	2,298	10,677	2,133	4,443	981
7.	Syndicate Bank	1,087	465	1,260	387	1,500	376	2,207	488
8.	UCO Bank	0	0	1,369	0	2,039	0	1,680	182
9.	Union Bank of India	1,130	317	844	186	1,388	19	1,835	28
2.	United Bank of India	1,237	61	1,095	111	1,026	127	942	107
1.	Vijaya Bank	646	137	288	127	575	153	828	154
2.	State Bank of India (SBI)	9,235	41	4,392	2,859	7,337	3,477	9,847	5,333
3.	State Bank of Bikaner and Jaipur	575	92	756	28	554	79	Merged with SBI	
4.	State Bank of Hyderabad	1,981	105	2,503	88	1,234	59		
5.	State Bank of Mysore	1,014	0	490	0	507	0		
6.	State Bank of Patiala	1,411	78	1,405	119	1,636	150		
7.	State Bank of Travancore	1,197	0	1,474	0	1,126	0		

Source: RBI (global operations) *Written-off Accounts (WA)

