

Profits of banks

†3377. SHRI RAM JETHMALANI:
SHRI SHIVANAND TIWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that most of the Indian banks earned profits during financial year 2008-09;

(b) if so, the share of income from interest on loan and income from the profit of investments made in share market in the above mentioned profit; and

(c) the amount of capital invested by banks in these two sectors during this period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) Yes, Sir. All Indian banks, except the Development Credit Bank Ltd., have reported profit for the year 2008-09.

(b) The existing Management Information System of Reserve Bank of India does not generate data in the desired manner. However, in 2008-09, the Indian banks reported a total interest income (on loans/advances and all kinds of investments) of Rs. 3,44,508 crore. Out of this, the interest income on loans and advances alone was Rs. 2,51,382 crore which accounted for 73% of the total interest income.

(c) As at end March, 2009, the outstanding gross advances of the Indian banks stood at Rs. 26,23,419 crore and their investment to capital market was Rs. 24,566 crore.

Forecast of World Bank for India's economy

3378. SHRI RAJEEV SHUKLA: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank has forecast India's economy to expand by 5.1 per cent during this fiscal which is lowest in six years, although, the country has consistently outperformed multilateral funder's estimates in the past;

(b) if so, whether it has pointed out that Indian economy has grown by 6.7 per cent in 2008-09 against World Bank's estimate of 6.1 per cent despite recession in most of the developed nations;

(c) whether according to World Bank, the Prime Minister has also acknowledged that there is indeed a slow down in foreign investment; and

(d) if so, what steps Government is considering to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) and (b) As per the World Bank's Global Development Finance Report, June 2009, the forecast of real GDP growth for India, measured at 2000 purchasing power parity weights, is 5.1 per cent for the fiscal 2009-10 and is estimated at 6.1 per cent for fiscal 2008-09. As per the revised estimates of the Central Statistical Organisation, the growth in real Gross Domestic Product (GDP) in 2008-09 is estimated at 6.7 per cent.

†Original notice of the question was received in Hindi.