

- (b) if so, the details thereof;
- (c) whether individual customers would also be offered loans for installing rooftop solar panels as part of housing loans;
- (d) if so, the details thereof;
- (e) whether priority sector lending and tax incentives would also be proposed for encouraging solar projects; and
- (f) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Banks have been advised to encourage the home loan/home improvement loan seekers to install rooftop solar photovoltaics (PVs) and include the cost of such equipment in their home loan proposals.

(e) and (f) RBI has issued a circular to all scheduled commercial banks that loans sanctioned by banks directly to individuals for setting up off-grid solar and other off-grid renewable energy solutions for households are covered under priority sector lending.

#### **Study of corporate debt by IND-RA**

2604. SHRI D. RAJA:

SHRI M. P. ACHUTHAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that according to a study by India Ratings and Research (IND-RA) the top 500 corporate borrowers in the country have an aggregate debt of ₹ 28,76,000 crore which is 73 per cent of the total bank lending to corporates;
- (b) if so, the details thereof; and
- (c) the quantum of defaulted amount out of this and the actions being taken against the defaulters?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (c) As per the data available with RBI, total outstanding of top 500 borrowers (based on total exposures - *source: data on large exposures of size ₹5 crore and above of banks*) at ₹18,60,177 crore is 30.2% of total outstanding loans of all banks as at end Sep-14. Out of this top 500 borrowers, ₹49,425 crore (which is 17.1% of total Gross NPAs of all banks) is defaulted amount as at end Sep-14.

To improve asset quality of banks, and to prevent slippages, Reserve Bank of India (RBI) has issued instructions which stipulate that each bank is to have a Board approved loan policy, loan recovery policy, put in place an effective mechanism for information sharing for sanction of fresh loans/ad-hoc loans/renewal of loans to new or existing borrowers, have a robust mechanism for early detection of signs of distress including prompt restructuring in the case of all viable accounts, taking recourse to legal mechanisms like SARFAESI Act, 2002, DRTs and Lok Adalats.

RBI has issued instructions to the Banks to review slippages in asset classification in the borrowal accounts with outstanding ₹5 crore and above by the Board of Directors of the bank and review NPA accounts which have registered recoveries of ₹1 crore and above.

The Reserve Bank of India has recently released a comprehensive 'Framework for Revitalising Distressed Assets in the Economy'. The Framework outlines a corrective action plan that will incentivise early identification of problem cases, timely restructuring of accounts which are considered to be viable, and taking prompt steps by banks for recovery or sale of unviable accounts. The Government has advised PSBs to constitute a Board level Committee for monitoring of NPAs and recovery, appointment of Nodal officers for recovery at the Head Office/Zonal Office/for each DRT, to conduct special drives for recovery of loss assets, and has instructed PSBs that writes-offs should not be more than recovery.

The Government on 26th June, 2014 has suggested banks to give more focussed monitoring in coordination with other members of consortium, assigning the responsibility at the Executive Director level, hiring best lawyers and monitoring their performance in defending bank's interest in the Debt Recovery Tribunals (DRTs) and High Courts. To remove bottlenecks in the recovery of bad debts. The Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012 has been passed by Parliament and has come into force from 15.01.2013.

The total Gross Advances of Public Sector Banks (PSBs) as on Sept 30, 2014 stands at ₹45,65,499 crore out of which the defaulted amount stands at ₹2,43,043 crore. (*Source RBI, Data provisional*).

#### **Study of Urban Co-operative Banks in Andhra Pradesh**

2605. SHRI C.M. RAMESH: Will the Minister of FINANCE be pleased to state:

(a) whether any study had been conducted by the Reserve Bank of India (RBI) to assess the performance of the Urban Co-operative Banks in the country, particularly in Andhra Pradesh;