

(c) whether the Non-Performing Assets (NPAs) of banks are accumulating and unable to recover dues; and

(d) if so, the new strategies to be formulated to clear the NPAs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) At the recently held Gyan Sangam meet in Pune in January, 2015, Public Sector Banks (PSBs) have committed to take action in respect of (i) to differential strategic focus, (ii) to build people capabilities, (iii) technology enabled transformation, (iv) to introduce and strengthen partners/non-bank channel and (v) to strengthen risk management, which includes establishing rule based underwriting for retail and small & medium enterprise (SME), create early warning signals and multi-channel collection architecture, move towards risk based pricing and increase capital awareness and to create/strengthen credit bureau (rural, SME, corporate) by increasing inter-bank cooperation. The Government has accepted the resolve of the PSBs in this regard.

(c) and (d) Yes, Sir. NPAs of the banks have gone up during the last few years. Gross NPAs of the Public Sector Banks increased from ₹ 71,080 crores in 2011 to ₹ 2,16,739 crores as on 31st March, 2014.

To address the issue of NPAs in PSBs, a number of steps have been taken by the Government and Reserve Bank of India. Government organized a top level retreat – Gyan Sangam at Pune on 2nd and 3rd January, 2015, in which improving risk management, asset quality and recovery was one of the six themes discussed. Government has already decided to establish six new Debt Recovery Tribunals (DRT) (at Chandigarh, Bengaluru, Ernakulum, Dehradun, Siliguri, Hyderabad) to speed up the recovery of bad loans of the banking sector. RBI has also taken a number of steps to resolve the NPA issue. In January 2014, it came out with “Early Recognition of Financial Distress, Prompt steps for Resolution and Fair Recovery for Lenders: Framework for Revitalizing Distressed Assets in the Economy”, in which the banks have to start acting as soon as a sign of stress is noticed in a borrowers action and not wait for it to become a NPA.

#### **Promotion of free trade**

94. KUMARI SELJA:

DR. PRADEEP KUMAR BALMUCHU:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is planning to curb tax evasion and smuggling in the country to promote free trade and transportation;

(b) if so, the details thereof; and

(c) the steps being taken by the Government in this regard and incentives being given to the traders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Yes, Sir.

(b) and (c) Tax evasion and smuggling in the country have always been of concern to the Government. Several steps such as gearing up of enforcement machinery, enhancing sea and road patrolling, deploying modern interdiction systems including scanning equipments for risk based examination of import/export cargo, strengthening intelligence network etc., are in place to address the menace of tax evasion and smuggling. Further, Government has taken various trade facilitation measures to incentivise compliant trade by reducing transaction cost and clearance time.

#### **Banking facilities in Maharashtra**

95. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether Government has decided to provide banking facility in all the villages of Maharashtra and rest of the country;

(b) if so, the details thereof; and

(c) the present status of the implementation of the decision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (c) To provide banking facilities across the country, entire country has been mapped through Sub Service Areas (SSAs) in rural areas and Wards (in Urban areas). An SSA is a cluster of villages within a radius of 3-5 Kms and having population of around 1000 to 1500 households. These SSAs have been allotted to various banks and banks have appointed Bank Mitras in these SSAs. These Bank Mitras provide the banking services like opening of account, withdrawal and deposits in account by using Aadhaar payment bridge technology.

State Level Bankers' Committee (SLBC) Maharashtra has informed that the State has a network of 10051 brick and mortar branches (Rural-2934, Urban-2263, Semi-Urban-1619 and Metro-3235). To provide banking facilities for all the villages in the State, total 13127 SSAs have been formed in the State. These SSAs have been allotted to various Banks and banking services in these SSAs are being provided through a bank branch/fixed point inter-operable Bank Mitras.