

Whereas for higher than normal sum insured and higher than normal indemnity level for food and oilseed crops, under NAIS, actuarial premium rates are charged.

NCIP is an improved version of the earlier schemes and various additional features like risk coverage for pre-sowing/prevented sowing, for post harvest losses due to cyclone in coastal areas, on account payment of up to 25% of likely claims in areas suffering at least 50% crop yield loss etc. have been incorporated to make it more farmer-friendly. For the benefit of farmers, premium subsidy by the Government has also been increased upto 75% of the premium under NCIP components.

All the crop insurance schemes except CPIS are compulsory for loanee farmers in the notified areas/crops as notified by the concerned State Government, and voluntary for non-loanee farmers.

Claims under crop insurance schemes are worked out and settled as per the provisions of the respective scheme based on the formula for indemnity. If observed trigger value falls below or above from the notified trigger value, then claims per unit are calculated using the formula depending upon index definition under Weather Based Crop Insurance Schemes (WBCIS) and settled within 45 days from the end of risk period and receipt of weather data subject to receipt of premium subsidy from State and Central Government. On the other hand, claims under MNAIS and NAIS are worked out on the basis of yield data received from the State Government. However, a provision of on account payment of 25% of estimated claims in areas suffering at least 50% crop yield loss, and full claim in case of localized calamities and for post harvest losses due to cyclone in coastal areas are available under MNAIS. Insurance companies have been advised from time to time to settle these claims at the earliest.

#### **Reforms of PSBs**

1777. SHRI AHMED PATEL: Will the Minister of FINANCE be pleased to state :

- (a) the total amount of Non-Performing Assets (NPAs) in Public Sector Banks (PSBs) along with details thereof, bank-wise;
- (b) the details of the reformative measures being formulated by Government for PSBs in the wake of the "Gyan Sangam" retreat; and
- (c) by when these reforms will be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA) : (a) The total amount of Gross Non-Performing Assets (NPAs) in Public Sector Banks (PSBs) as on March 2015 is ₹ 2,55,179 crore (provisional). The bank-wise details are given in the Statement (*See* below).

(b) and (c) The Department of Financial Services (DFS) organized a two-day retreat for Banks and Financial Institutions called 'Gyan Sangam' at National Institute of Banking Management (NIBM), Pune. The main purpose of organizing this event was to give an opportunity to Chairman and Managing Directors (CMDs) and Executive Directors (EDs) of all the banks to express their opinion about what went wrong and what could be done to improve the situation. The participants of the retreat were CMDs and EDs of Banks and other Financial Institutions under the DFS, as also all the Public Sector Insurance Companies.

The executives were grouped in to six different groups on themes of Leveraging technology to improve banking operations efficiency, rethinking priority sector lending, Achieving universal financial inclusion, improving risk management, asset quality and recovery, strengthening human capital and HR practices and consolidation and restructuring of PSBs for better efficiency and governance. The working groups discussed specific actions that banks could consider in short term (over 12 months) and in the medium term (over 1-3 years). The group also provided suggestions for policy makers.

#### *Statement*

#### *Bank-wise gross NPAs and gross NPAs to gross advances (%)*

(Amount in ₹ crore)

Bank Name	Gross NPAs			Gross NPAs to Gross Advances (%)		
	Mar-14	Dec-14	Mar-15 #	Mar-13	Mar-14	Mar-15#
1	2	3	4	5	6	7
Allahabad Bank	7,961	7,991	8,107	3.98	5.90	5.57
Andhra Bank	5,858	7,118	6,784	3.71	5.29	5.23
Bank of Baroda	9,894	13,035	13,615	2.87	3.56	4.53
Bank of India	10,274	14,679	13,533	3.51	3.89	4.67
Bank of Maharashtra	2,860	6,187	6,258	1.49	3.16	6.18
Bharatiya Mahila Bank Ltd.	-	-	-	-	-	-
Canara Bank	7,371	10,369	10,634	2.53	2.59	3.41
Central Bank of India	11,500	11,793	12,127	4.81	6.27	6.19
Corporation Bank	4,737	6,932	7,100	1.72	3.42	4.80
Dena Bank	2,616	4,230	4,272	2.19	3.33	5.29

1	2	3	4	5	6	7
IDBI Bank Limited	9,949	12,109	12,488	3.43	5.36	6.49
Indian Bank	4,284	5,142	5,125	3.22	3.67	4.17
Indian Overseas Bank	7,838	12,681	13,589	3.88	4.84	8.30
Oriental Bank of Commerce	5,618	7,669	7,716	3.21	3.99	5.20
Punjab & Sind Bank	2,554	2,996	3,019	2.96	4.41	4.66
Punjab National Bank	18,611	21,830	22,888	4.68	5.83	6.71
Syndicate Bank	4,264	6,168	6,088	2.27	2.97	3.69
UCO Bank	6,275	9,096	11,041	5.79	4.47	8.05
Union Bank of India	9,142	12,234	12,149	3.09	4.22	5.03
United Bank of India	7,118	7,809	6,471	4.25	10.47	9.36
Vijaya Bank	1,986	2,311	2,204	2.17	2.41	2.51
State Bank of Bikaner & Jaipur	2,733	2,960	2,898	3.62	4.18	4.07
State Bank of Hyderabad	5,824	5,393	4,846	3.46	5.89	4.46
State Bank of India	57,819	59,114	53,575	5.32	5.61	4.95
State Bank of Mysore	2,819	2,584	2,135	4.53	5.54	4.01
State Bank of Patiala	3,758	5,469	4,360	3.25	4.83	5.41
State Bank of Travancore	3,077	3,367	2,156	2.56	4.35	3.08
Public Sector Banks	2,16,739	2,61,265	2,55,179	3.84	4.72	5.20

*Source:* RBI-Off-site returns as reported by banks, domestic operations

# Mar-15 data provisional

### **Outsourcing norms for NBFCs**

1778. SHRI T. RATHINAVEL : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India (RBI) has mooted stricter outsourcing norms for Non-Banking Finance Companies (NBFCs), if so, the details thereof; and