

(c) whether any basic finding have come out on the reasons for such NPAs; and

(d) the steps proposed to restore health of banks in this fiscal year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) No such information is available with Reserve Bank of India (RBI).

(b) and (c) RBI undertook Asset Quality Review (AQR) exercise to ensure that banks were taking proactive steps to clean up their balance sheets. The NPAs identified by RBI on account of AQR exercise as on March 31, 2015 was ₹ 1,21,686 crore.

(d) The Government has formulated a bank reform programme - "Indradhanush Plan" under which ₹ 25,000 crore was provided to PSBs during 2015-16 and ₹ 22,915 crore has been released this year. PSBs have also been allowed to raise capital from markets by diluting Government of India holding up to 52%.

The Government has taken specific measures to address issues in sectors such as Infrastructure (Power, Roads etc.), Steel and Textiles, where incidence of NPAs is high. The Government has also approved establishment of six (6) new Debt Recovery Tribunals (DRTs), to speed up the recovery of bad loans of the banking sector, in addition to existing thirty three. Reserve Bank of India (RBI) has also undertaken steps which include (i) Formation of Joint Lenders' Forum (JLF) for revitalizing stressed assets in the system, (ii) Flexible Structuring for long term project loans to Infrastructure and Core industries and (iii) Strategic Debt Restructuring (SDR) scheme (iv) Scheme for Sustainable Structuring of Stressed Assets (S4A). The Government has recently issued advisory to banks to take action against guarantors in event of default by borrower under relevant sections of SARFAESI Act, Indian Contract Act & RDDB&FI Act, since in the event of default; the liability of the guarantor is co-extensive with the borrower.

Government Directive on payment of increased dividend rate

1731. SHRI DEREK O'BRIEN: Will the Minister of FINANCE be pleased to state:

(a) the amount collected from the dividends of different Public Sector Undertakings (PSUs);

(b) whether it is a fact that Government has asked the PSUs to pay 30 per cent dividend of profit after payment as tax or of Central Government's equity as compared to earlier 20 per cent;

(c) the surplus money accrued as a result of this measure;

(d) whether Government plans to use this surplus in the further development of PSUs; and

(e) if not, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ARJUN RAM MEGHWAL): (a) Dividend position for PSUs during four years: ₹ 25921.29 crore in 2013-14 (Actual), ₹ 31691.91 crore in 2014-15 (Actual), ₹ 44365.83 crore in 2015-16 (RE) and ₹ 53883.05 crore in 2016-17 (BE).

(b) Department of Investment & Public Asset Management (DIPAM) has issued revised guidelines on 27th May, 2016 according to which every CPSE needs to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher, subject to the maximum dividend under the extant legal provisions.

(c) The data regarding the increase in PSU dividends is attributable to changed guidelines.

(d) and (e) The dividends from PSUs is treated as Non tax revenue and flows into the Consolidated Fund of India. The utilization of this money is done on the basis of the appropriation approved by the Parliament.

Benefits to employees due to CPC recommendations

1732. SHRI ANUBHAV MOHANTY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the benefit in the 7th CPC would be one of the lowest ever, since the Government has been implementing the recommendations of the Pay Commission, if so, the reasons therefor;

(b) what financial benefit in percentage the Government employees would be getting after the implementation of the 7th CPC; and

(c) will the benefit be proportionately equal or in variation or less at the lower level and more at the higher level?