

The IRDAI has been carrying out a sustained campaign to create awareness about insurance, rights and duties of policyholders etc. through various media channels. With a view to improving people's understanding about insurance, IRDAI launched an exclusive consumer education website www.policyholder.gov.in

Rise in NPAs due to demonetisation

2169. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether gross Non-Performing Assets (NPAs), or bad loans, of State owned Banks are increasing very drastically during the last one year and appear set to rise further in the next two quarters with many units, especially in the small and medium sectors, struggling to repay loan after being hit by the Government's decision of demonetisation; and

(b) if so, the details thereof and Government's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) The Gross Non-Performing Assets (GNPAs) of Public Sector Banks and MSE Sector (Priority Sector only) for last one year are as under:—

(₹ in crore)

Gross NPAs of Public Sector Banks and GNPA to MSE Sector during the last four quarters

Banks	Gross NPAs			
	Mar-16	Jun-16	Sep-16	Dec-16
Public Sector Banks	5,02,068	5,50,346	5,89,502	6,06,911
	65,818	73,119	72,864	73,536

Source: RBI, Provisional Data for Dec-16

Main reasons for increase in NPAs of banks are slowdown in recovery in the global economy and continuing uncertainty in the global markets leading to lower exports of various products like textiles, engineering goods, leather, gems, etc. The PSB's continue to be under stress on account of aggressive lending in the past.

Further, Reserve Bank of India (RBI) under the Asset Quality Review (AQR), carried out with reference to the position as on March 31, 2015 advised banks to recognize impairment and make additional provisions for specific accounts based on

extant Income Recognition and Asset Classification (IRAC) Norms.

The Government has taken sector specific measures (Infrastructure, Power, Road, textiles, Steel etc.) where incidence of NPA is high. The Insolvency and Bankruptcy code (IBC) has been enacted and Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI) and The Recovery of Debts due to Banks and Financial Institutions (RDDBFI) Act have been amended to improve resolution/recovery of bank loans. Six new Debt Recovery Tribunals (DRTs) have been established for improving recovery.

RBI has taken a number of measures to improve the situation *viz.* Corporate Debt Restructuring (CDR), Formation of Joint Lenders' Forum (JLF), Flexible Structuring for long term project loans to Infrastructure and Core industries (5/25 Scheme), Strategic Debt Restructuring Scheme (SDR) and Sustainable Structuring of Stressed Assets (S4A).

Robots in PSBs

†2170. SHRI MAHENDRA SINGH MAHRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government is considering introduction of robots in Public Sector Banks;

(b) if so, the details of works for which robots would be deployed, Bank-wise;

(c) whether deployment of robots would increase unemployment in the country; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) No, Sir.

(b) to (d) Do not arise.

Collusion between Bank staff and other agencies in disposing off currency notes

†2171. SHRI VISHAMBHAR PRASAD NISHAD:

SHRIMATI CHHAYA VERMA:

Will the Minister of FINANCE be pleased to state:

†Original notice of the question was received in Hindi.