

WRITTEN ANSWERS TO STARRED QUESTIONS**Inclusion of petrol, diesel and natural gas in GST ambit**

*65. SHRI SAMBHAJI CHHATRAPATI: Will the Minister of FINANCE be pleased to state:

(a) whether demands are pouring in for inclusion of petrol, diesel and natural gas in Goods and Services Tax (GST) ambit to bring uniformity in their price throughout the country; and

(b) if so, the details thereof and also the reaction of Government in this respect duly taking in view the opinion expressed in public by the Minister of Petroleum and Natural Gas?

THE MINISTER OF FINANCE (SHRI PIYUSH GOYAL): (a) and (b) Certain representations have been received from various companies and trade and industry associations seeking *inter-alia* inclusion of petroleum products under GST.

Article 279 A (5) of the Constitution prescribes that the Goods and Services Tax Council shall recommend the date on which the goods and services tax be levied on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel. So far, the GST Council has not made any recommendation for inclusion of petrol, diesel and natural gas under GST.

Debt recovered and bad debts written off by PSBs

*66. SHRI SANJAY SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that total gross Non Performing Assets (NPAs) stands at ₹9 lakh crore and over 90 per cent of it is with Public Sector Banks (PSBs);

(b) the details of debt recovered and bad debts written off by each PSB and financial institutions as on March 31, 2018;

(c) whether it is also a fact that PSBs could only recover ₹15,786 crore in first nine months of Financial Years 2017-18 and 2016-17; and

(d) if so, the reasons therefor?

THE MINISTER OF FINANCE (SHRI PIYUSH GOYAL): (a) to (d) The gross advances of Scheduled Commercial Banks increased from ₹ 25,03,431 crore as on 31.3.2008 to ₹ 68,75,748 crore as on 31.3.2014, as per the global operations data of the Reserve Bank of India (RBI). Further, as per RBI inputs, the primary reasons for spurt in stressed assets in recent times have been observed to be, *inter-alia*, aggressive

lending practices, wilful default / loan frauds/corruption in some cases, and economic slowdown. Asset Quality Review (AQR) carried out in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of NPAs. Expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were reclassified as NPAs and provided for. PSBs initiated cleaning up by recognising NPAs and provided for expected losses. As a result of transparent recognition of stressed assets as NPAs, gross Non-performing Assets (NPAs) of Scheduled Commercial Banks (SCBs) (as per RBFs off-site returns global operations provisional data, as on 31.3.2018), increased to ₹ 10,35,528 crore, of which ₹ 8,95,601 crore (86.49%) were gross NPAs of Public Sector Banks (PSBs).

As per RBI data on global operations, during the first nine months of financial year 2017-18 and 2016-17, PSBs recovered an aggregate amount of ₹ 1,10,427 crore in accounts declared NPA. Details of reduction in NPAs due to recoveries and due to written-off amount (including compromise), in respect of PSBs and select financial institutions, for the financial year 2017-18, are given in the Statement-I and Statement-II respectively (*See below*).

As per Reserve Bank of India (RBI) guidelines and policy approved by bank Boards, non-performing loans, including, *inter-alia*, those in respect of which full provisioning has been made on completion of four years, are removed from the balance-sheet of the bank concerned by way of write-off. Banks write-off NPAs as part of their regular exercise to clean up their balance-sheet, tax benefit and capital optimisation. Borrowers of such written-off loans continue to be liable for repayment. Recovery of dues takes place on ongoing basis under legal mechanisms, which include, *inter-alia*, the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act), and Debts Recovery Tribunals (DRTs). Therefore, write-off does not benefit the borrower.

Statement-I

Details of reduction in NPAs due to recoveries in PSBs and select financial institutions

Amounts in crore ₹		
Sl. No.	Bank/financial institution	Reduction in NPAs due to actual recoveries during FY 2017-18
1	2	3
1.	Allahabad Bank	2,086
2.	Andhra Bank	1,598

1	2	3
3.	Bank of Baroda	1,416
4.	Bank of India	13,940
5.	Bank of Maharashtra	1,765
6.	Canara Bank	2,241
7.	Central Bank of India	3,077
8.	Corporation Bank	697
9.	Dena Bank	931
10.	IDBI Bank Limited	6,840
11.	Indian Bank	575
12.	Indian Overseas Bank	4,505
13.	Oriental Bank of Commerce	2,235
14.	Punjab & Sind Bank	418
15.	Punjab National Bank	4,443
16.	State Bank of India	9,847
17.	Syndicate Bank	2,207
18.	UCO Bank	1,680
19.	Union Bank of India	1,835
20.	United Bank of India	942
21.	Vijaya Bank	828
22.	Export Import Bank of India	538
23.	National Bank for Agriculture and Rural Development	6
24.	National Housing Bank	7
25.	Small Industries Development Bank of India	718

Source: Reserve Bank of India (off-site returns global operations)

Statement-II

Details of reduction in NPAs due to written-off amount (including compromise) in PSBs and select financial institutions

Amounts in crore ₹		
Sl. No.	Bank/financial institution	Reduction in NPAs due to written-off amount (including compromise) during FY 2017-18 *
1	2	3
1.	Allahabad Bank	3,635
2.	Andhra Bank	1,666
3.	Bank of Baroda	4,948
4.	Bank of India	8,976
5.	Bank of Maharashtra	2,460
6.	Canara Bank	8,310
7.	Central Bank of India	2,924
8.	Corporation Bank	8,228
9.	Dena Bank	661
10.	IDBI Bank Limited	12,515
11.	Indian Bank	1,606
12.	Indian Overseas Bank	6,908
13.	Oriental Bank of Commerce	6,357
14.	Punjab & Sind Bank	460
15.	Punjab National Bank	7,407
16.	State Bank of India	39,151
17.	Syndicate Bank	2,400
18.	UCO Bank	2,735
19.	Union Bank of India	3,477
20.	United Bank of India	1,867
21.	Vijaya Bank	1,539

1	2	3
22.	Export Import Bank of India	1,459
23.	National Bank for Agriculture and Rural Development	0
24.	National Housing Bank	0
25.	Small Industries Development Bank of India	34

Source: Reserve Bank of India (off-site returns global operations)

* Write-offs are done after full provisioning, and as per RBI's guidelines and policy approved by bank Boards, non-performing loans, including, *inter-alia*, those in respect of which full provisioning has been made on completion of four years, are removed from the balance-sheet of the bank concerned by way of write-off. Further, the process of recovery of dues from the borrower in such loan accounts continues and, therefore, the write-off does not benefit the borrower.

Flow of black money into entertainment industries

*67. DR. V. MAITREYAN: Will the Minister of FINANCE be pleased to state:

(a) whether as per the assessment of Revenue Intelligence agencies, unaccounted/black money is flowing into Entertainment Industries including cinema production and distribution, Television and IPL cricket;

(b) if so, the details thereof;

(c) the details of television, cinema production and distribution companies found involved in investment of unaccounted money;

(d) the action taken against the erring companies having nexus with such organisations, company-wise; and

(e) whether Government proposes to bring out any new legislation with relevant provisions to regulate cinema and television industries as well as IPL cricket and if so, the details thereof?

THE MINISTER OF FINANCE (SHRI PIYUSH GOYAL): (a) to (d) There is no such assessment that unaccounted/Black money has been found to specifically flow into entertainment industries including cinema production and distribution, Television and IPL Cricket, by the Revenue Intelligence Agencies under Central Board of Indirect Taxes and Customs (CBIC).

However, Investigation into matters regarding tax evasion and unaccounted/black money is an ongoing process and whenever any such instance comes to the notice of the Income Tax Department, it takes appropriate action including conducting searches & surveys, assessment of income, levy & recovery of tax, imposition of penalty and launching of prosecution as per the provision of the Income Tax Act, 1961 against such