

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P): (a) ₹ 100 denomination under MG (New) Series was introduced on July 19, 2018. It was the sixth denomination to be introduced under the new series following ₹ 2000, ₹ 500, ₹ 50, ₹ 200 and ₹ 10.

(b) and (c) Banks incur cost of every recalibration. However, data on cost of recalibration is not Centrally maintained.

Financial support to PSU Banks

2909. SHRI MANAS RANJAN BHUNIA: Will the Minister of FINANCE be pleased to state:

(a) whether RBI and Government have decided to provide the financial support to the Public Sector Banks (PSBs) for their financial ill health;

(b) if so, the amount of financial support by the RBI and Government to each bank till date; and

(c) the present status of the functioning of PSBs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) and (b) Banks require capital on an ongoing basis for strengthening their financial condition, meeting regulatory norms and business growth. Public Sector Banks (PSBs) meet their capital requirement through various sources including, *inter alia*, mobilisation of capital from the market through issuance of capital instruments and monetisation of non-core assets, internal capital generation including through recovery in written-off accounts, and capital infusion by the Government. In recent past, ₹ 90,000 crore was allocated in the Union Budget and infused in various PSBs by the Government during Financial Year (FY) 2017-18. In the budget estimates of FY 2018-19, ₹ 65,000 crore has been allocated for recapitalisation of PSBs and an amount of ₹ 51,533 crore has been infused in PSBs till 31.12.2018. PSBs-wise details of capital infusion by Government in PSBs in FY 2017-18 and up to 31.12.2018 in FY 2018-19 are given in the Statement (*See below*).

(c) 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. Public Sector Banks (PSBs) initiated cleaning up by recognising NPAs and provided for expected losses. Further, during the

fourth quarter of the financial year (F.Y.) 2017-18, all such schemes for restructuring stressed loans were withdrawn. As a result, while PSBs have posted aggregate operating profits during first half of F.Y. 2018-19 of ₹ 75,030 crores, they have posted losses primarily on account of continuing ageing provision for NPAs recognised as a result of AQR initiated in 2015 and subsequent transparent recognition by banks, including under RBI's circular discontinuing restructuring schemes in the fourth quarter of F.Y. 2017-18. PSBs made aggregate provision for NPAs and other contingencies of ₹ 85,791 crore during the first half of F.Y. 2018-19. Additionally, because of hardening of bond yields, these banks had aggregate mark-to-market losses on their investment portfolios of ₹ 20,384 crore during the same period.

Over the last four and half F.Y.s, to reduce NPAs and strengthen the financial position of PSBs, Government has taken comprehensive steps under its 4R's strategy of recognising NPAs transparently, resolving and recovering value from stressed accounts through clean and effective laws and processes, recapitalising banks, and reforming banks through the PSB Reforms Agenda to make them responsible and responsive. The results of Government's comprehensive 4R's approach are visible in the present status of the functioning of the PSBs:—

- (i) Gross NPAs of PSBs have started declining, after peaking in March, 2018, registering a decline of ₹ 26,789 crore, from ₹ 8,95,601 crore in March, 2018 to ₹ 8,68,812 crore in September, 2018.
- (ii) Non-NPA accounts overdue by 31 to 90 days (Special Mention Accounts 1 and 2) of PSBs have declined by 61% over five successive quarters, from ₹ 2.25 lakh crore as of June, 2017 to ₹ 0.87 lakh crore as of September, 2018, indicating significant improvement in asset quality.
- (iii) The Provision Coverage Ratio (PGR) of PSBs has risen steeply from 46.04% as of March, 2015 to 66.85% as of September, 2018, giving banks cushion to absorb losses.
- (iv) Record recovery of ₹ 60,726 crore has been effected by PSBs in the first half of the current financial year, which is more than double the amount recovered over the corresponding period of the last financial year.
- (v) Credit Risk-weighted Assets to Gross Advances Ratio has decreased steadily over the past four quarters, from 80.26% in September, 2017 to 71.2% in September, 2018.

Statement*Capital infusion by Government in Public Sector Banks**(₹ in crore)*

Sl. No.	Bank	2017-18	2018-19 (till 31.12.2018)
1.	Allahabad Bank	1,500	4,844
2.	Andhra Bank	1,890	2,019
3.	Bank of Baroda	5,375	
4.	Bank of India	9,232	10,086
5.	Bank of Maharashtra	3,173	4,498
6.	Canara Bank	4,865	
7.	Central Bank of India	5,158	4,032
8.	Corporation Bank	2,187	2,555
9.	Dena Bank	3,045	
10.	IDBI Bank Limited	12,471	
11.	Indian Bank	0	
12.	Indian Overseas Bank	4,694	2,157
13.	Oriental Bank of Commerce	3,571	5,500
14.	Punjab National Bank	5,473	8,247
15.	Punjab and Sind Bank	785	
16.	Syndicate Bank	2,839	2,360
17.	UCO Bank	6,507	3,076
18.	Union Bank of India	4,524	
19.	United Bank of India	2,634	2,159
20.	Vijaya Bank	1,277	
21.	State Bank of India	8,800	

Source: Banks.**Study on debt liabilities of farmers**

2910. SHRI RAJMANI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether Government has conducted any study regarding debt liabilities of the farmers and the number of indebted farmers in the country;