

Status of MoU with Korea Meteorological Administration

1132. SHRI K. C. RAMAMURTHY: Will the Minister of EARTH SCIENCES be pleased to state:

- (a) whether the Memorandum of Understanding (MoU) signed by Government and the Korea Meteorological Administration in 2010 has been successful thus far in achieving its objectives;
- (b) if so, the details of the achievements and funds sanctioned for the project;
- (c) whether the climate and weather forecasting capabilities of the project have been used for the benefits of farmers and labourers; and
- (d) whether there are any plans to extend the MoU after its expiry period?

THE MINISTER OF EARTH SCIENCES (DR. HARSH VARDHAN): (a) Yes, Sir, the MoU between the Ministry of Earth Sciences (MoES) and Korea Meteorological Administration (KMA) was signed in 2010.

(b) Indian Institute of Tropical Meteorology (IITM), Pune and KMA have jointly involved in Greenhouse Gases (GHGs) monitoring. They are also involved GHGs inter-calibration program where IITM Pune and KMA GHGs labs have measured common calibration cylinders circulated to both the laboratories to maintain monitoring accuracy using instruments. Cooperation on satellite data exchange system between KMA and MoES was also another activity under the MoU. There is no exchange of funds between two organizations in this MoU.

(c) No, Sir.

(d) The current MOU will remain in force upto September, 2020 and will be extended by mutual agreement of the two organizations.

Non-performing loan ratio

1133. SHRI DEREK O' BRIEN: Will the Minister of FINANCE be pleased to state:

- (a) the country's non-performing loan ratio recorded in the last three years, the details thereof;
- (b) the proportion of loans given by banks, both public and private, in the last three years which have turned out to be bad loans, the details thereof; and

(c) the amount of stressed debt accrued by both public and private banks in the last fiscal year and the initiatives taken by Government to recapitalise banks, the details thereof?

THE MINISTER OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) As per Reserve Bank of India (RBI) data on global operations, aggregate gross advances of Scheduled Commercial Banks (SCBs) increased from ₹ 25,03,431 crore as on 31.3.2008 to ₹ 68,75,748 crore as on 31.3.2014. As per RBI inputs, the primary reasons for spurt in stressed assets 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) initiated in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of NPAs. As a result of AQR and subsequent transparent recognition by banks, stressed accounts were reclassified as NPAs and expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were provided for. Further, all such schemes for restructuring stressed loans were withdrawn. Primarily as a result of transparent recognition of stressed assets as NPAs, gross NPAs of SCBs, as per RBI data on global operations, rose from Rs. 3,23,464 crore as on 31.3.2015, to Rs. 10,36,187 crore as on 31.3.2018, and as a result of Government's 4R's strategy of recognition, resolution, recapitalisation and reforms, have since declined by Rs. 86,908 crore to Rs. 9,49,279 crore as on 31.3.2019 (provisional data).

Government adopted the comprehensive 4R's strategy consisting of recognition of NPAs transparently, resolution and recovering value from stressed accounts, recapitalising Public Sector Banks (PSBs), and reforms in PSBs and financial ecosystem to ensure a responsible and clean system. Steps taken under these strategies to expedite and enable resolution of NPAs of PSBs, and to improve the condition of banks include, *inter alia*, the following:—

- (i) Change in credit culture was effected, with the Insolvency and Bankruptcy Code (IBC) fundamentally changing the creditor-borrower relationship, taking away control of the defaulting company from promoters/owners and debarring wilful defaulters from the resolution process and debarring them from raising funds from the market.
- (ii) Over the last four financial years, PSBs were recapitalised to the extent of ₹ 3.12 lakh crore, with infusion of ₹ 2.46 lakh crore by the Government and mobilisation of over ₹ 0.66 lakh crore by PSBs themselves.

- (iii) Key reforms were instituted in PSBs as part of PSBs Reforms Agenda, include the following:—
- (a) Board-approved Loan Policies of PSBs now mandate tying up necessary clearances/approvals and linkages before disbursement, scrutiny of group balance-sheet and ring-fencing of cash flows, non-fund and tail risk appraisal in project financing.
 - (b) Use of third-party data sources for comprehensive due diligence across data sources has been instituted, thus mitigating risk on account of misrepresentation and fraud.
 - (c) Monitoring has been strictly segregated from sanctioning roles in high-value loans, and specialised monitoring agencies combining financial and domain knowledge have been deployed for effective monitoring of loans above ₹ 250 crore.
 - (d) To ensure timely and better realisation in One-Time Settlements (OTSs), online end-to-end OTS platforms have been set up.

As per inputs received from RBI, the ratio of Gross Non Performing Assets (GNPA) to gross advances of SCBs as on 31.3.2017, 31.3.2018 and 31.3.2019 (provisional data), were 9.3%, 11.18% and 9.08% respectively.

(b) RBI has informed that data regarding advances based on the date of disbursement is not maintained.

(c) RBI has informed that data regarding accrual of stressed assets during any specific period is not maintained by it.

Public Sector Banks have been recapitalised by ₹ 3,19,497 crore during the last five financial years from 2014-15 to 2018-19, including recapitalisation of ₹ 1,30,225 during financial year 2018-19.

Revenue under GST

1134. SHRI DEREK O' BRIEN: Will the Minister of FINANCE be pleased to state:

(a) the monthly gross GST revenue collection targets for the last two years, the details thereof; and

(b) whether the targets have been met for each month, if so, the details thereof and if not, the reasons therefor?