

trillion per annum on infrastructure. For example, the Budget Estimate of Government expenditure on Infrastructure in 2018-19 was ₹ 5.97 trillion. As per Interim Budget 2019-20, India has a vision to become a five trillion dollar economy in the next five years and a ten trillion dollar economy in the next eight years thereafter. Infrastructure investment needs to increase commensurately to attain these targets.

Government has taken a number of initiatives to boost infrastructure investment in the economy:—

- (i) Government has launched sectoral initiatives such as Bharatmala Pariyojana for development of the road sector, Sagarmala Programme which aims to promote port-led development with a view to reducing logistics cost for international and domestic trade, Ude Desh Ka Aam Nagrik (UDAN)-Regional Connectivity Scheme (RCS) which aims at facilitating regional air connectivity by making it affordable, Ujjawal Discom Assurance Yojana (UDAY) for effecting financial and operational turnaround of Power Distribution Companies, etc.
- (ii) Government has also launched innovative financing vehicles such as Infrastructure Debt Funds (IDFs), Infrastructure Investment Trusts (InvITs), Real Estate Investment Trusts (REITs); mainstreaming of Public Private Partnerships (PPPs) across infrastructure sectors through viability gap funding; periodic review of Harmonized Master List of Infrastructure Sub-sectors; and establishment of the National Investment and Infrastructure Fund (NIIF).

Cost of corporate Non Performing Assets waived off

1795. SHRI BINOY VISWAM: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that top 12 corporate Non Performing Assets (NPAs) cost to exchequer is twice the farm loan waiver;
- (b) the details of corporate Non Performing Assets of the last three years along with the name of companies;
- (c) the amount of corporate loans which have been waived off by banks in the last three years; and
- (d) the details thereof along with the details of banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) and (b) 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 Non Performing Assets (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 ₹ 3,23,464 crore as on 31.3.2015, to ₹ 7,90,556 crore as on 31.3.2017 (of which ₹ 6,80,427 crore was in “regulatory corporate” loan accounts, i.e. loan accounts with fund based exposure of ₹ 5 crore and above), to ₹ 10,36,187 crore as on 31.3.2018 (of which ₹ 8,84,365 crore was in “regulatory corporate” loan accounts), and as a result of Government’s 4R’s strategy of recognition, resolution, recapitalisation and reforms, have since declined by ₹ 1,02,562 crore to ₹ 9,33,625 crore, as per RBI’s provisional data, as on 31.3.2019 (of which ₹ 7,68,335 crore was in “regulatory corporate” loan accounts).

Government has implemented a 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 reduce NPAs and strengthen PSBs. Steps taken under this strategy 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:
 - (1) 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.

- (2) 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.
- (3) 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.
- (4) To ensure timely and better realisation in One-Time Settlements (OTSs), online end-to-end OTS platforms have been set up.

Enabled by the above steps, financial gains from cleaning of the banking system are now amply visible. Gross NPAs of SCBs, as per RBI data on global operations (including provisional data for March, 2019, as reported on 2.7.2019), have reduced over the last financial year by ₹ 1,02,562 crore, and recovery of ₹ 4,01,424 crore has been effected by these banks over the last four financial years, including a record recovery of ₹ 1,56,746 crore in the last financial year.

As per inputs received from RBI, the total fund-based amount outstanding of top 12 borrowers whose accounts have turned into NPA, as on 31.3.2019 (provisional data), reported by SCBs, was ₹ 1,73,309 crore. Banks have initiated recovery/resolution process in respect of such accounts. The Union Government has not implemented any loan waiver scheme during the last three years, though some loan waiver schemes have been implemented by various State Governments.

With respect to details of borrowers whose loan accounts have turned into NPA, RBI has apprised that under the provisions of section 45E of the Reserve Bank of India Act, 1934, RBI is prohibited from disclosing credit information with respect to individual borrowers. Section 45E provides that credit information submitted by a bank shall be treated as confidential and not be published or otherwise disclosed.

(c) and (d) No corporate loan waiver has been done.

NPAs written off by PSBs

1796. SHRI KUMAR KETKAR: Will the Minister of FINANCE be pleased to state:

(a) out of the total NPAs of Public Sector Banks (PSBs), how many loans were based on the valuation reports authenticated by practicing member of ICAI during the last three years;

(b) the action taken or investigation commenced against how many such members;