

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-1507**  
ANSWERED ON- 20/12/2022

**WRITE-OFFS BY PUBLIC SECTOR BANKS**

1507. SHRI JAWHAR SIRCAR

Will the Minister of FINANCE be pleased to state:-

- (a) the total provisioning made by Public Sector Banks in last five years;
- (b) how much has been realised and written off in the last five years;
- (c) the total recapitalization provided by Government to banks during the last five years;
- (d) whether it is a fact that Public Sector Banks utilise deposits and savings of customers to make up for the gigantic loss in business; and
- (e) what accounts for this abnormally high rate of NPAs during the last five years?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) and (b): As per Reserve Bank of India (RBI) data, provisions made by Public Sector Banks (PSBs) for non-performing assets (NPAs) as at the end of last five financial years is at Annex. PSBs have written-off an amount of ₹ 7,34,738 crore and recovered an aggregate amount of ₹ 4,80,111 crore from NPAs, including recovery of ₹ 1,03,045 crore from written-off loan accounts, during the last five financial years.

(c) The total amount of recapitalization by the Government in banks during last five financial years is ₹ 2,90,600 crore, including recapitalization of ₹ 4,557 crore in IDBI Bank Ltd., which has been categorised as Private Sector Bank by RBI on 21.1.2019.

(d) and (e): 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. Primarily as a result of transparent recognition of stressed assets as NPAs, as per RBI data on global operations, gross NPAs of PSBs rose from ₹ 2,27,264 crore (gross NPA ratio of 4.4%) as on 31.3.2014 and peaked to ₹ 8,95,601 crore (gross NPA ratio of 14.6%) as on 31.3.2018, and as a result of Government's strategy of recognition, resolution, recapitalisation and reforms, have since declined to ₹ 4,87,374 crore (gross NPA ratio of 6.09%) as on 30.9.2022, as reported by PSBs in quarterly results.

In the financial year 2021-22 and first half of the financial year 2022-23, PSBs have reported aggregate net profit of ₹ 66,543 crore and ₹ 40,992 crore respectively.

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**Rajya Sabha Unstarred Question no. 1507 for 20.12.2022 regarding “Write-off by Public Sector Banks”**

Amounts in crore Rs.

<b>Bank Group</b>	<b>Provisions for NPAs, as on</b>				
	<b>31-03-2018</b>	<b>31-03-2019</b>	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2022</b>
Public Sector Banks	4,41,380	4,54,852	4,46,766	4,19,256	3,86,652

*(Source: Reserve Bank of India)*

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