GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 1038

ANSWERED ON TUESDAY, JULY 28, 2026/ 6 SHRAVANA, 1948 (SAKA)

FINANCIAL PERFORMANCE METRICS OF PSBs

1038# SHRI RAJESH PARMANAND SHUKLA:
DR. MEDHA VISHRAM KULKARNI:
SHRI SHAMBHU SHARAN PATEL:

Will the Minister of FINANCE be pleased to state:

(a) the financial performance metrics and Non-Performing Asset reductions recorded by Public Sector Banks (PSBs) over the last five years;
(b) the credit flow growth registered by PSBs toward the retail, agriculture, Micro, Small and Medium Enterprises (MSME), and infrastructure sectors; and
(c) the total guarantee coverage and additional credit flow targeted specifically for the aviation sector under the Emergency Credit Line Guarantee Scheme (ECLGS 5.0)?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): The financial health of Public Sector Banks (PSBs) have shown significant improvement with healthy balance sheets, historically high profits and multi-decadal low level of gross non-performing assets (GNPAs). Further, PSBs have recorded sustained credit growth across different sectors of the economy. The financial performance metrics and Non-Performing Asset reductions of PSBs for last five years is placed at Annexure–I. The sector-wise credit growth recorded by PSBs in the retail, agriculture, MSME, and infrastructure segments is placed at Annexure–II.

(c) Government has introduced Emergency Credit Line Guarantee Scheme (ECLGS 5.0) in May, 2026, to tide over any short-term liquidity mismatches faced by businesses due to West Asia Crisis. The scheme provides guarantee coverage to Member Lending Institutions (MLIs) through National Credit Guarantee Trustee Company Limited (NCGTC) for the amount in default under the additional credit facility extended to the eligible borrowers. The scheme provides 100% guarantee coverage for MSMEs and 90% guarantee coverage for non-MSMEs and the scheduled passenger airline sector, up to a credit flow of ₹2,55,000 crore, which includes ₹5,000 crore specifically earmarked for the scheduled passenger airline sector.

Under ECLGS 5.0, borrowers in the airline sector are eligible for assistance of up to 100% of their total peak credit outstanding (both fund-based and non-fund-based) during the fourth quarter of FY 2025–26, i.e., from 1.1.2026 to 31.3.2026 (both dates inclusive). The maximum loan amount available under ECLGS 5.0 for the airline sector is ₹1,500 crore per borrower (of this, any amount beyond ₹1,000 crore and Up to ₹1,500 crore shall be permitted only with a proportionate equity contribution from the promoters/owners).

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Annexure-I

Reply to Part(a) of the said Rajya Sabha Question no. 1038 for answer on 28.7.2026 regarding Financial performance metrics- by Public Sector Banks.

Financial performance of PSBs during the last five years:

(₹ in lakh Crores)

Financial Parameters	31.3.2022	31.3.2023	31.3.2024	31.3.2025	31.3.2026
Total Business	181.5	203.2	226.7	251.7	283.3
Total Deposits	107.2	117.1	129.0	142.0	156.3
Total Loans & Advances	74.3	86.1	97.7	109.8	127.0
Net Profit	0.67	1.05	1.41	1.78	1.98
Gross NPAs (%)	7.3	5.0	3.5	2.6	1.9
Capital Adequacy - CRAR (%)	14.6	15.5	15.6	16.1	16.6

#Source: Reserve Bank of India.

Annexure-II

Reply to Part(b) of the said Rajya Sabha Question no. 1038 for answer on 28.7.2026 regarding Financial performance metrics- by Public Sector Banks.

Credit growth of PSBs in Retail, Agriculture, MSME, and Infrastructure Sectors.

(Growth Y-o-Y in %)

Credit growth	31.3.2022	31.3.2023	31.3.2024	31.3.2025	31.3.2026
Retail Loans	12.9	20.2	12.6	17.7	19.8
Agriculture and Allied Activities Loans	6.7	18.8	16.9	9.8	16.2
MSME Loans	-1.7	9.0	11.0	9.8	19.6
Infrastructure Loans*	-14.7	33.7	5.9	2.2	4.9

#Source: Reserve Bank of India.
**Pertaining to Industries Sector Only*