

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. 330

TO BE ANSWERED ON THE 3rd February 2017/ Magha 14, 1938 (SAKA)

Mission Indradhanush

QUESTION

330. SHRI RAM MOHAN NAIDU KINJARAPU:

SHRI PARVESH SAHIB SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has launched Mission Indradhanush to improve the efficiency and functioning of all public sector banks and if so, the details thereof including salient features of the mission;
- (b) whether the Non Performing Assets (NPAs) of Public Sector Banks (PSBs) have decreased since the launch of Mission Indradhanush;
- (c) if so, the details and the status of total NPAs along with the loan amount recovered/written off during each of the last three years and the current years, bank and State-wise;
- (d) whether the Banks Board Bureau (BBB) has been constituted and if so, the details thereof including composition, objectives and functions of the Bureau;
- (e) whether the BBB has suggested any strategies to improve the functioning of PSBs; and
- (f) if so, the details thereof and if not, the reasons therefor?

ANSWER

The Minister of State in the Ministry of Finance
(SHRI SANTOSH KUMAR GANGWAR)

(a): In August 2015, the Government introduced Indradhanush Plan for revamp of Public Sector Banks. Under the Indradhanush Plan action related to (i) Appointment (ii) Bank Board Bureau (iii) Capitalization (iv) De-stressing PSBs (v) Empowerment (vi) Framework of Accountability (vii) Governance Reforms has been initiated by the Government.

(b) & (c): The details of Gross Advances, Gross Non-Performing Assets (GNPA) amount and Gross NPA ratio of Public Sector Banks (PSBs) since launch of Indradhanush Plan are as under:

(Rs. in crore)

PUBLIC SECTOR BANKS (PSBs)			
	GROSS ADVANCES	GROSS NPA	GNPA RATIO
FY 2016	51,04,914	5,02,068	9.83%
Sep -2016	49,86,144	5,89,502	11.82%

Source : RBI

The details of the amount written off by PSBs since launch of the Indradhanush Plan are as under:

Public Sector Bank data on Write-offs		
(Rs. in Crore)		
Bank Name	Write offs	
	Mar-2016	Sep-16
Public Sector Banks	59,547	25,825
Source: RBI/PSBs		

The details of loan amount recovered / written off is at Annex I & II.

(d): The Government of India, on February 28, 2016 announced the constitution and composition of the Bank Board Bureau (BBB). The Bureau started functioning from April 01, 2016 as an autonomous recommendatory body with three ex-officio members and three expert members in addition to Chairman. Chairman and members are part time. The Bureau is constituted as follows:

Sl. No.	Name/Designation	Designation
1	Shri Vinod Rai, Former CAG of India	Chairman
2	Secretary, Department of Financial Services	Ex-officio member
3	Secretary, Department of Public Enterprises	Ex-officio member
4	Deputy Governor, Reserve Bank of India	Member
5	Dr. Anil K. Khandelwal, Former CMD of Bank of Baroda	Member
6	Shri H.N. Sinor, Former Joint MD, ICICI Bank	Member
7	Ms Roopa Kudva, Former MD&CEO, CRISIL	Member

The functions of the Banks Board Bureau are as follows:

- (i). To be responsible for the selection and appointment of Board of Directors in Public Sector Banks (PSBs) and Financial Institutions (FIs) (Whole-time Directors and Non-Executive Chairman).
- (ii). To advise the Government on matters relating to appointments, confirmation or extension of tenure and termination of services of the Board of Directors of the above mentioned levels.
- (iii). To advise the Government on the desired structure at the Board level and for senior management personnel for each PSB and FI.
- (iv). To advise the Government on the formulation and enforcement of a code of conduct and ethics for managerial personal in PSBs/FIs.
- (v). To advise the Government on evolving suitable training and development programmes for management personnel in PSBs/FIs.
- (vi). To build a data bank containing data relating to the performance of PSBs/FIs, its senior management and the Board of Directors and share the same with Government.
- (vii). To help banks to develop a robust leadership succession plan for critical positions that would arise in future through appropriate HR process including performance management systems.
- (viii). To help banks in terms of developing business strategies and capital raising plan etc.

(e) & (f): The mandate given to the Bureau is to help banks in terms of developing business strategies. In fulfilling this mandate, the Bureau does not envisage formally prescribing specific strategy for each bank as the Bureau is mindful of the need to have fully empowered boards which should drive the overall strategy of the bank within its risk capacity and also act as custodians who would reconcile the diverse interests of various stakeholders.

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NPA's of PSBs recovered through various channels**(Amount in Rs. Crore)**

	2013-14			2014-15			2015-16		
Channels of Recovery	No of cases referred	Amount involved	Amount recovered	No of cases referred	Amount involved	Amount recovered	No of cases referred	Amount involved	Amount recovered
LokAdalat	11,67,059	17016	1414	25,96,351	27020	931	42,44,800	69017	3134
DRTs	24,813	45350	4460	18397	53203	3484	19,133	57439	5590
SARFAESI	1,81,216	86783	22178	1,66,804	146306	23434	1,59,147	65008	11033
Total	13,73,088	149149	28052	27,81,552	226529	27849	44,23,080	191464	19757

Source: RBI

ANNEX-II				
Public Sector Banks-wise data on Write-offs				
	(Rs in crore)			
	During FY Ended at			
Bank Name	Mar-14	Mar-15	Mar-16	Sep-16
ALLAHABAD BANK	782	2,109	2,097	483
ANDHRA BANK	263	1,124	1,179	404
BANK OF BARODA	964	1,564	1,664	1,358
BANK OF INDIA	1,767	801	2,374	1,993
BANK OF MAHARASHTRA	401	264	903	351
BHARATIYA MAHILA BANK LTD.	0	0	0	-
CANARA BANK	1,591	1,472	3,387	1,407
CENTRAL BANK OF INDIA	1,995	1,386	1,279	503
CORPORATION BANK	463	779	477	430
DENA BANK	479	515	1,488	268
IDBI BANK LIMITED	1,393	1,609	5,459	920
INDIAN BANK	628	550	926	808
INDIAN OVERSEAS BANK	1,474	3,131	2,578	408
ORIENTAL BANK OF COMMERCE	1,252	925	1,668	533
PUNJAB AND SIND BANK	204	263	335	118
PUNJAB NATIONAL BANK	1,947	6,587	7,340	2,505
SYNDICATE BANK	1,025	1,527	1,995	446
UCO BANK	1,423	1,401	1,573	20
UNION BANK OF INDIA	913	931	792	30
UNITED BANK OF INDIA	481	761	649	127
VIJAYA BANK	296	791	510	433
Nationalised Banks	19,739	28,489	38,674	13,545
STATE BANK OF BIKANER AND JAIPUR	399	363	1,399	601
STATE BANK OF HYDERABAD	31	355	1,569	15
STATE BANK OF INDIA	13,177	21,313	15,763	10,673
STATE BANK OF MYSORE	403	740	588	3
STATE BANK OF PATIALA	463	755	1,156	902
STATE BANK OF TRAVANCORE	196	526	398	86
State Bank of India and its Associates	14,670	24,052	20,873	12,280
Public Sector Banks	34,409	52,542	59,547	25,825
Source: RBI				
