

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO: 3394
TO BE ANSWERED ON THE 04th AUGUST, 2017/SHRAVANA 13, 1939 (SAKA)

QUESTION
RESTRUCTURING OF LOANS OF CORPORATE AND FARMERS

**3394: SHRIMATI HEMA MALINI AND
SHRI BHARTRUHARI MAHTAB:**

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has restructured loans of corporate and farmers to deal with the genuine and willful defaulters separately, if so, the details thereof along with the number of corporate and farmers that have availed the benefits and the amount restructured during each of the last three years and the current year, State/UT and Bank-wise;
- b) whether the Government has ascertained the impact of such restructuring of loan on the Non-Performing Assets (NPAs) of the bank, if so, the details thereof and if not, the reasons therefor along with the likely benefits of such restructuring to the banks;
- c) whether the Government has received complaints of corruption/irregularities in such restructuring of loans in the country during the said period, if so, the details thereof, Bank-wise and the reasons therefor along with the action taken on such complaints so far; and
- d) the other steps taken/being taken by the Government in this regard?

ANSWER

**To be answered by
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)**

(a) to (b): Bank-wise restructured loans of Industry and Agriculture and Allied Activities during the last three financial years is annexed. State-wise data is not centrally maintained.

Prior to April 1, 2015, asset classification benefit was available to borrowers who underwent restructuring in accordance with RBI guidelines on Income Recognition and Asset Classification (IRAC) norms. Since April 01, 2015, non-performing assets, upon restructuring would continue to have the same asset classification as prior to restructuring.

(c) Whenever any irregularities are found or observed on the part of Bank's officials, the Banks initiate action as per their extant rules and commensurate punishment is awarded to delinquent employees based on the seriousness of wrongdoings as per Bank's disciplinary rules.

(d) Banks have been provided tools like Corporate Debt Restructuring, formation of JLFs, Flexible structuring for long term project loans (5/25 scheme), Strategic Debt Restructuring (SDR) and Sustainable Structuring of Stressed Assets (S4A) for faster resolution of Stressed Assets.

Sector specific measures for sectors like Roads (one time fund infusion by NHAI intervention in the stalled project), Power sector (UDAY scheme) Steel sector (notification of Minimum Import Price) have also been taken to give a boost to the sector so that stress be reduced.

An Ordinance {Banking Regulation (Amendment) Ordinance, 2017} has been promulgated on 4th May 2017 authorising RBI to issue directions to any banking company to initiate insolvency resolution process in respect of a default, under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC)

Annexure						
(Amount Rs. in Crore)						
Bank Name	Industry			Agriculture and Allied Activities		
	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-15	31-Mar-16	31-Mar-17
ALLAHABAD BANK	15,478	7,457	4,127	173	68	36
ANDHRA BANK	11,687	10,866	7,347	155	65	38
BANK OF BARODA	17,661	10,993	6,980	965	234	732
BANK OF INDIA	12,191	6,922	5,501	0	61	31
BANK OF MAHARASHTRA	6,307	3,139	1,836	491	660	434
BHARATIYA MAHILA BANK LTD.	0	0	0	0	0	0
CANARA BANK	19,499	10,336	7,523	359	239	101
CENTRAL BANK OF INDIA CORPORATION BANK	13,524	8,441	6,186	4,984	338	336
DENA BANK	11,152	7,791	5,435	112	95	41
IDBI BANK LIMITED	6,378	4,367	2,671	82	168	260
INDIAN BANK	12,200	9,497	8,248	141	61	64
INDIAN OVERSEAS BANK	9,220	5,039	3,620	58	54	372
ORIENTAL BANK OF COMMERCE	12,566	9,431	7,147	263	272	56
PUNJAB AND SIND BANK	15,555	8,965	3,689	444	1,417	1,102
PUNJAB NATIONAL BANK	7,721	3,647	1,415	18	91	0
SYNDICATE BANK	22,820	16,282	10,344	229	170	19
UCO BANK	7,134	3,889	2,580	800	992	1,659
UNION BANK OF INDIA	0	0	4,512	0	0	25
UNITED BANK OF INDIA	12,319	6,970	3,605	165	453	1,048
VIJAYA BANK	6,480	5,387	4,264	361	252	113
STATE BANK OF BIKANER AND JAIPUR	4,839	1,915	995	62	83	71
STATE BANK OF HYDERABAD	0	0	0	6,708	5,066	2,159
STATE BANK OF INDIA	6,816	4,618	2,104	23	14	13
STATE BANK OF MYSORE	48,880	21,456	31,762	201	204	0
STATE BANK OF PATIALA	1,920	592	405	856	692	356
STATE BANK OF TRAVANCORE	9,176	7,169	2,862	87	56	0
Public Sector Banks	3,540	3,433	837	32	2	0
	2,95,065	1,78,602	1,35,994	17,771	11,808	9,067