

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO: 10
TO BE ANSWERED ON THE 15th DECEMBER, 2017 / AGRAHAYAN 4, 1939 (SAKA)

QUESTION
HIGHER PROVISIONING TO RESOLVE NPAs

10: SHRIG. HARI:

Will the Minister of FINANCE be pleased to state:

- (a) whether as a result of the strong steps taken by the Reserve Bank of India to resolve NPAs are likely to rise provisioning by a whopping 25 per cent this year as lenders will take a hair cut of upto 60 per cent while resolving these accounts and if so, the details thereof;
- (b) whether the banks have to increase provisioning by another 25 percent this fiscal, compared 9 percent in the last fiscal and if so, the details thereof; and

ANSWER

**To be answered by
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)**

- (c) whether the RBI had referred the 12 largest bad loans for resolution under the Insolvency and Bankruptcy Code and if so, the details thereof?
- (a) Reserve Bank of India (RBI) has informed that the growth in provisions for NPAs of Public Sector Banks (PSBs) in the first half of the current financial year (as on 30.9.2017 over 31.3.2017) was 9.5%.
- (b) As per RBI data, the growth in provisions for NPAs of PSBs in the financial year 2016-17 (as on 31.3.2017 over 31.3.2016) was 40.4%.
- (c) RBI has issued directions to certain banks for referring 12 accounts, with fund and non-fund based outstanding amount greater than Rs. 5000 crore and with 60% or more classified as non-performing as of 31.3.2016, to initiate insolvency process under the Insolvency and Bankruptcy Code, 2016.
