

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

UNSTARRED QUESTION NO. 171

TO BE ANSWERED ON THE 15TH DECEMBER 2017 / AGRAHAYANA 24, 1939 (SAKA)
Re-Capitalisation of PSBs

171. SHRI SANJAY DHOTRE:
SHRI BHARTRUHARI MAHTAB:
SHRI RAHUL SHEWALE:
SHRI R. GOPALAKRISHNAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to infuse capital in Public Sector Banks (PSBs) to support credit growth and job creation across the country;
- (b) if so, the details thereof along with the capital infused in such banks so far, Bank-wise;
- (c) whether the Government has evaluated the performance of laws recently enacted by the Government to curb rising Non-Performing Assets (NPAs) of the said banks before taking decision of infusion of capital in such banks;
- (d) if so, the details and outcome thereof and if not, the reasons therefor;
- (e) whether the Government has conducted any study on the success of the previous re-capitalisation of PSBs in the country; and
- (f) if so, the details and outcome thereof and if not, the reasons therefor along with the other steps taken/being taken by the Government in this regard?

ANSWER

The Minister of State in the Ministry of Finance
(SHRISHIV PRATAP SHUKLA)

(a) and (b): As part of Indradhanush Plan Government had announced infusion of Rs. 70,000 crore out of budgetary allocations for infusing capital in Public Sector Banks (PSBs) in four financial years. Amounts of Rs. 25,000 crore each in the financial years 2015-16 and 2016-17, and Rs. 10,000 crore each in financial years 2017-18 and 2018-19, were envisaged. Further keeping in view requirements of PSBs, Government has recently announced decision to recapitalise Public Sector Banks (PSBs) to the tune of Rs. 2,11,000 crore, through recapitalisation bonds of Rs. 1,35,000 crore and budgetary provision of Rs. 18,139 crore (under Indradhanush plan) over two financial years, and the balance through capital raising by banks from the market. Government has so far infused capital of Rs. 51,858 crore in PSBs. Bank-wise details are in Annex.

(c) and (d): The Insolvency and Bankruptcy Code was enacted for reorganisation and insolvency resolution of corporates. The object of the law is not curbing rise of NPAs.

(e) and (f): Government monitors capital adequacy of PSBs. Capital infusion has enabled PSBs to remain compliant with Basel III capital adequacy norms, across financial years, despite high NPA and consequential provisioning requirement.

Lok Sabha Unstarred Question No. 171 for 15.12.2017, regarding “Re-capitalisation of PSBs”

Details of Capital infused in Public Sector Banks (PSBs) by Governmentsince financial year 2015-16

(In crore Rupees)

S. No.	Bank	2015-16	2016-17	2017-18
1	AllahabadBank	973.00	451.00	----
2	Andhra Bank	378.00	1100.00	----
3	Bank ofBaroda	1786.00	0.00	----
4	Bank ofIndia	3605.00	2838.00	----
5	Bank ofMaharashtra	394.00	300.00	----
6	CanaraBank	947.00	745.18	----
7	CentralBank ofIndia	535.00	1397.00	----
8	CorporationBank	857.00	508.00	----
9	Dena Bank	407.00	1046.00	----
10	Indian Overseas Bank	2009.00	2651.00	----
11	OrientalBank of Commerce	300.00	0.00	----
12	Punjab NationalBank	1732.00	2112.00	----
13	SyndicateBank	740.00	776.00	----
14	State Bank ofIndia	5393.00	5681.00	----
15	UCO Bank	935.00	1925.00	----
16	UnionBank ofIndia	1080.00	541.00	----
17	UnitedBank ofIndia	480.00	1026.00	----
18	VijayaBank	220.00	0.00	----
19	IDBI Bank	2229.00	1900.00	1861.00
I	Total	25000	24997.2	1861.00
