

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**STARRED QUESTION NO. \*177**

TO BE ANSWERED ON THE 13<sup>TH</sup> MARCH 2023/ PHALGUNA 22, 1944 (SAKA)

**LOAN TO ADANI GROUP**

\*177. SHRI DEEPAK BAIJ:

Will the Minister of FINANCE be pleased to state:

- (a) the details of loan/credit exposure of various public sector banks and insurance companies to Adani group of companies as on date and on 31<sup>st</sup> December, 2022, bank-wise and company-wise;
- (b) whether various banks have assessed the risks involved in recovery of loans/credit exposure to Adani group of companies which have eroded their net assets and market cap substantially during the current year;
- (c) if so, the details thereof, public sector bank and insurance company-wise; and
- (d) if not, the reasons therefor?

**ANSWER**

The Finance Minister  
(SMT. NIRMALA SITHARAMAN)

(a) to (d): A statement is laid on the Table of the House.

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**Statement for Lok Sabha Starred Question no. \*177 for 13<sup>th</sup> March 2023, regarding  
“Loan to Adani Group” by SHRI DEEPAK BAIJ, Member of Parliament**

(a) to (d): The Reserve Bank of India (RBI) has informed that under the provisions of section 45E of the Reserve Bank of India Act, 1934, RBI is prohibited from disclosing credit information. Section 45E provides that credit information submitted by a bank shall be treated as confidential and not to be published or otherwise disclosed.

The Life Insurance Corporation of India (LIC) has informed that its debt exposure to Adani Group of Companies, as per annexed details, was ₹6,347.32 crore and ₹6,182.64 crore, as on 31.12.2022 and 5.3.2023, respectively.

The five Public Sector General Insurance companies have informed that these companies do not have loan/credit exposure to Adani Group of Companies.

Public Sector Banks have informed that loans are sanctioned after assessing the viability of projects, prospective cash flows, risk factors and availability of adequate security and repayment of loans are ensured by the revenue generated by the project and not by the market capitalisation of the company.

As per inputs received from RBI, in order to protect banks from risk, it has implemented large exposure framework which limits the exposures that a bank can take to a single counterparty and a group of connected counterparties to 20 per cent (extendable to 25 per cent by the Board of the bank under exceptional circumstances) and 25 per cent, respectively, of the eligible capital base of the bank. Also, as per RBI guidelines, banks are required to have a clear policy regarding the Debt-Equity Ratio for project financing to ensure that promoters bring in equity funds proportionate to bank finance. To address the concentration risk emanating from large exposure to banking system, RBI has stipulated banks to maintain additional provisions and additional risk-weights on the incremental exposures towards specified borrowers having overall aggregate sanction credit limit of ₹10,000 crore.

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**Annex**

**Lok Sabha Starred Question no. \*177 for 13<sup>th</sup> March 2023, regarding “Loan to Adani Group”**

LIC's debt exposure in Adani Group of Companies

*amount in crore ₹*

<b>Company</b>	<b>Outstanding</b> (as on 31.12.2022)	<b>Outstanding</b> (as on 5.3.2023)
Adani Ports and SEZ	5,553.27	5,388.60
Adani Power (Mundra) Ltd.	266.46	266.46
Adani Power Maharashtra Ltd.- Phase I	81.60	81.60
Adani Power Maharashtra Ltd.- Phase III	254.87	254.87
Raigarh Energy Generation Ltd	45.44	45.44
Raipur Energen Ltd.	145.67	145.67
<b>Total</b>	<b>6,347.32</b>	<b>6,182.64</b>

*Source: LIC*

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