

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

UNSTARRED QUESTION NO. 477
TO BE ANSWERED ON THE 20TH JULY 2018/ ASHADHA 29, 1940 (SAKA)
Road Map to Tackle NPA

477. DR. P. VENUGOPAL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government had unveiled a huge Rs. 211 lakh crore two year road map for strengthening Non Performing Assets (NPA) that had hit Government owned banks;
- (b) if so, the details thereof;
- (c) whether the road map includes re-capitalization bonds, budgetary support and equity dilution; and
- (d) if so, the details thereof?

ANSWER

Minister of State in the Ministry of Finance
(SHRI SHIV PRATAP SHUKLA)

(a) to (d): Government, in October 2017, announced decision to recapitalise Public Sector Banks over the financial years (FYs) 2017-18 and 2018-19. This entails mobilisation of capital to the tune of about Rs. 2,11,000 crore, through capital infusion by the Government amounting to Rs. 1,53,139 crore, through a mix of special securities (“recapitalisation bonds”) and budgetary support, and the balance through capital raising from the market. Pursuant to this, Rs. 88,139 crore were infused in the second half of FY 2017-18. Budget provision of Rs. 65,000 crore has been made for this purpose in Union Budget 2018-19. Further, banks have mobilised capital from markets to the tune of Rs. 11,948 crore through issuance of fresh equity in dilution of Government’s shareholding in the banks and through sale of non-core assets.
