

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

STARRED QUESTION NO. *43

Answered on the 24th July 2023/ Sravana 2, 1945 (Saka)

Financial Performance of PSBs

*43. SHRI SUDHEER GUPTA:
SHRI DHAIRYASHEEL
SAMBHAJIRAO MANE:

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government has reviewed the financial performance of Public Sector Banks (PSBs);
- (b) if so, the details thereof and agenda set for the same;
- (c) the details of the outcome thereof;
- (d) whether the Government has also reviewed the progress made by the banks in achieving targets set for the Government schemes like Kisan Credit Card, Stand-Up India, Pradhan Mantri Mudra Yojana etc. to help businesses affected by the COVID-19 pandemic;
- (e) if so, the details and the outcome of the said review; and
- (f) whether it is true that Public Sector Banks together has posted a record profit during the current fiscal year and if so, the details thereof?

ANSWER

The Finance Minister
(SMT. NIRMALA SITHARAMAN)

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

Statement for Lok Sabha Starred Question no. *43 for 24th July 2023, regarding “Financial Performance of PSBs” by SHRI SUDHEER GUPTA and SHRI DHAIRYASHEEL SAMBHAJIRAO MANE, Member of Parliament

(a) to (f): As per the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980, and the State Bank of India Act, 1955, the general superintendence, direction and management of the affairs and business of the bank vests in its Board. However, regular meetings are held with the top management of Public Sector Banks (PSBs) from time to time to discuss progress under various agendas/schemes initiated by the Government including, *inter alia*, performance of the banks and progress under various schemes initiated by the Government like, PM SVANidhi, Kisan Credit Card, Stand-up India, Pradhan Mantri Mudra Yojana, etc.

In the meeting held on 6.7.2023 with Chief Executives of PSBs, discussions were held on various issues including, *inter alia*, performance of banks, achievement of Priority Sector Lending targets, positive macro trends, improved business sentiments and progress under various Government schemes. It was decided that PSBs to take steps to adopt a focused approach on ease of service delivery and customer protection, follow regulatory norms, adopt robust risk management practices, focus on increasing rural, agriculture and sectoral credit to meet the Priority Sector Lending targets including in all sub-categories, etc. It was also decided that the sponsor banks of the Regional Rural Banks (RRBs) to take steps for technological upgradation of the RRBs to make them more efficient. Performance under PM SVANidhi scheme, which was started to support COVID affected street vendors to restart their businesses, was noted, wherein 50.57 lakh loans have been disbursed, amounting to Rs. 6,482 crore, to 38.5 lakh street vendors as on 20.7.2023.

Financial performance of PSBs was also noted which showed that all the major financial parameters *viz.*, credit deployment, profitability, asset quality, capital adequacy, etc. have significantly improved and that the PSBs have posted record aggregate net profit of Rs. 1,04,649 crore in FY2022-23.
