

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2422  
ANSWERED ON:23.08.2013  
BANKS FINANCIAL CONDITION  
Singh Shri Dhananjay

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of capital infusion in Public Sector Banks (PSBs) during each of the last three years and the current year, bank-wise;
- (b) whether such capital infusion has been able to improve the condition of the PSBs and check the ever increasing Non Performing Assets (NPAs) of these banks;
- (c) if so, the details thereof along with the reaction of the Government thereto; and
- (d) the other steps being taken by the Government to improve the condition of PSBs and reduce their NPAs?

**Answer**

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (c): The bank-wise details of capital infusion in Public Sector Banks (PSBs) during the year 2010-11, 2011-12 and 2012-13 is at Annex. For the year 2013-14, budgetary allocation of Rs. 14,000 crore has been made towards recapitalization of PSBs. The capital infusion in the PSBs is done with the twin objective of adequately meeting the credit requirement of the productive sectors of economy as well as to maintain regulatory capital adequacy ratios in PSBs.

(d): To improve the health of the financial sector, to improve asset quality of banks and to reduce NPA, the Government has advised Public Sector Banks (PSBs) to take a number of new initiatives to increase the pace of recovery and manage NPAs, which, inter-alia, include appointment of Nodal officers for recovery, to conduct special drives for recovery of loss assets, to put in place early warning system, to replace system of post dated cheques with Electronic Clearance System (ECS) and to constitute a Board level Committee for monitoring of recovery.