

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:675
ANSWERED ON:21.02.2003
NPA OF BANKS
VARKALA RADHAKRISHNAN

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether non-performing assets of the public sectors banks have increased alarmingly during the iast two years;
- (b) if so, the reasons therefore afongwith the NPAs of each public sector banks as on date;
- (c) whether the main reasons for the mounting of NPA of banks is the practice of non-priority sector lending and investments; and
- (d) if so, the details thereof and action taken by the Government to stop such practice?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL):

(a) and (b) The gross non-performing assets (NPAs) of public sector banks and theirpercentage to gross advances as on 31 st March, 2001 and 31st March, 2002 are given below:

STATEMENT

	(Rs.in Cr.)	
	March, 2001	March, 2002
A Gross NPAs	54,672	56,507
B % of GNPA's to gross advances	12.4	11.1

While the gross NPAs of public sector banks in absolute terms have increased during the last two years, the percentage of gross NPAs to gross advances has decreased. The gross NPAs of all public sector banks as on 31st March, 2002 are given in the enclosed statement.

(c) No, Sir. NPAs are spread in both Priority Sector as well as Non-Priority Sector.

(d) Does not arise.