

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:732

ANSWERED ON:05.12.2003

PROFIT /LOSSES INCURRED BY BANKS

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Will the Minister of FINANCE be pleased to state:

- (a) the profit/loss incurred by each public sector bank during each of the last three years;
- (b) whether many public sector banks have shown signs of distress;
- (c) if so, the details of factors responsible for sickness of these banks; and
- (d) the financial assistance provided by the Government representations of these banks during the last three years alongwith the other administrative steps taken to make them possible?

Answer

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

- (a) The net profit earned by each of the 27 public sector banks for the last three years is at enclosed statement.
- (b) All Public Sector banks except Indian Bank and Dena Bank had reported profits for the last three years. The performance of Indian Bank and Dena Bank had also registered a turnaround since 2001-02 as they reported net profit.
- (c) Does not arise in view of (b).
- (d) Indian Bank had been put under a three year Restructuring Plan (2002-2003) approved by RBI/ Government. The bank successfully achieved almost all targets under the Restructuring Plan and turned the corner in March 2002. Further, as part of the Restructuring Plan, the bank had been recapitalised by the Government to the tune of Rs. 2070.00 crore (Rs. 1300.00 crore sanctioned in March 2002 and Rs. 770.00 crore in February 2003).