

09:54 AM   21 NOV <b>MARKET STATS</b> ▾	SENSEX <b>26,023</b> ▼ -127.47	NIFTY 50 <b>8,029</b> ▼ -44.65	GOLD (MCX) (Rs/10g.) <b>28,970</b> ▼ -161.0	USD/INR <b>68.14</b> 0.00	<b>CREATE PORTFOLIO</b>	<b>Download ET MARKETS APP</b>	CHOOSE LANGUAGE ENG
--------------------------------------------	-----------------------------------	-----------------------------------	------------------------------------------------	------------------------------	-------------------------	--------------------------------	------------------------

# 16 of 22 PSU banks skip dividend in FY16 on mounting NPAs

By PTI | Updated: Nov 20, 2016, 02.48 PM IST

[Post a Comment](#)

NEW DELHI: Saddled with mounting bad loans, as many as 16 public sector banks, including PNB, BoB and [Canara Bank](#), skipped paying dividend in 2015-16, leading to three-fold decline in government receipts to Rs 1,444.6 crore.

Only six state-owned banks including SBI declared dividend, though at a lower rate, for the fiscal ended March 2016.

Under the existing guidelines, profit making banks have to pay a minimum dividend of 20 per cent of their equity or 20 per cent of their post tax profit, whichever is higher.

The government, which is the majority shareholder in all the public sector banks, witnessed 67 per cent decline in dividend receipt from PSU banks at Rs 1,444.6 crore as against Rs 4,336.22 crore in the previous fiscal.

According to Finance Ministry data, the highest dividend was paid by SBI to government at Rs 1,214.6 crore during 2015-16, 22 per cent lower than the previous fiscal.

As regards [Union Bank of India](#), the dividend payout was one-third of the previous fiscal at Rs 85 crore. For [Oriental Bank of Commerce](#), it was one-fifth compared to the previous financial year at Rs 12.4 crore despite increase in government holding due to capital infusion.

Those which skipped dividend payments included [Allahabad Bank](#), [Bank of Baroda](#), [Bank of India](#), [Canara Bank](#), [Central Bank of India](#), [Corporation Bank](#), [Punjab National Bank](#), [Dena Bank](#) and [Syndicate Bank](#).

Balance sheet of most of the banks were under stress due to clean-up exercise. Due to heavy provisioning for bad loans, many banks posted losses during the last quarter of the previous fiscal.

Gross NPAs of the PSBs had surged from 5.43 per cent (Rs 2.67 lakh crore) in 2014-15 to 9.32 per cent (Rs 4.76 lakh crore) in 2015-16 of the total advances.

Banks have been given time till March 2017 to clean up their balance sheet.

Stay on top of business news with [The Economic Times App](#). [Download it Now!](#)

**RELATED COMPANIES** EXPAND

- [Union Ban...](#)
- [Punjab Nat...](#)
- [Oriental Ba...](#)

[EXPAND TO VIEW ALL](#)

<a href="#">Live Market</a>	<a href="#">News</a>	<a href="#">Portfolio</a>	<a href="#">Mobile</a>	<a href="#">Live TV</a>	<a href="#">Newsletter</a>	<a href="#">Commodities</a>	<a href="#">Speed</a>	<a href="#">QnA</a>	<a href="#">Blogs</a>	<a href="#">Alerts</a>	<a href="#">RSS</a>
<b>Other Times Group news sites</b>		<b>Living and entertainment</b>		<b>Hot on the Web</b>			<b>Services</b>				
Times of India   इकनॉमिक टाइम्स मुंबई मिरर   Mumbai Mirror Times Now   Indiatimes नवभारत टाइम्स   महाराष्ट्र टाइम्स විසමය ජනප්‍රසාරණය   Lifehacker Gizmodo   Eisamay   IGN India NavGujarat Samay		Timescity   iDiva   Zoom   Luxpresso   Gaana   Happytrips   Cricbuzz   Get Smartapp		Budget 2017   Sensex, Nifty Live Blog Gold Rate   US Presidential Elections Live Updates Festival Guide 2016   Google expected to unveil Pixel smartphones Live: India's surgical strikes on PoK			ads2book   Gadgetsnow   Free Business Listings Simplymarry   Astrospeak   Timesjobs   Magicbricks   Zigwheels   Timesdeal   dineout   Filmipop   Remit2India   Gaana   Greetzap   Techradar   Alivear   Google Play				
		<b>Networking</b>									
		itimes   MensXP.com									