

Finance Minister Piyush Goyal to meet heads of PSU banks on Monday

By PTI | Updated: Jan 27, 2019, 12.17 PM IST



Sources said, the meeting will also review financial performance of the banks for the nine months ended December 2018.

Finance Minister **Piyush Goyal** will meet the CEOs of public sector banks Monday to take a stock of the banking sector, and discuss ways to improve their financial health, sources said. The meeting assumes significance as it comes just three days ahead of the Budget 2019-20, the last from this government before the general elections expected to be held in April-May.

The full-day meeting is likely to be attended by Reserve Bank of India Governor **Shaktikanta Das**, who is going to announce his first monetary policy review on February 7.

IndiGo looks overseas

Goyal, who was given additional charge of the finance ministry last Wednesday as **Arun Jaitley** is away to the US for a treatment, is his expected to discuss a host of issues including credit offtake and bad loan position of lenders.

Among the key issues, sources said, the meeting will review progress of various schemes of the government being implemented through the government. It will also review the credit flow to MSMEs, agriculture and retail sectors.

Besides, sources said, the meeting will also review financial performance of the banks for the nine months ended December 2018.

Non-performing assets (NPAs) would also come up for deliberation, they added.

Public sector banks (PSBs) have seen decline in bad loans by over Rs 23,000 crore from a peak of Rs 9.62 lakh crore in March 2018 due to various initiatives taken by the government.

ADVERTISEMENT

At the same time, PSBs have also made a record in recovery of Rs 60,726 crore in the first half of the current financial year, which is more than double the amount recovered in the corresponding period last year.

According to the latest finance ministry data, non-NPA accounts overdue by 31 to 90 days (Special Mention Accounts 1 & 2) of PSBs have declined by 61 per cent over five successive quarters - from Rs 2.25 lakh crore as of June 2017 to Rs 0.87 lakh crore in September 2018.

In his first stint as finance minister for 100 days last year, Goyal was instrumental in setting up a committee headed by non-executive chairman of [Punjab National Bank](#) Sunil Mehta to examine whether creation of an asset reconstruction company or [asset management](#) company to help in faster resolution of stressed assets.

Start a SIP with as low as ₹500 with [ET Money App!](#)

Related Articles

[Bad loans of PSU banks are declining: Govt officials](#)

Dec 29, 2018, 08.08 AM IST

[PSU bank officers' strike impacts operations](#)

Dec 21, 2018, 07.45 PM IST

[Government empowers PSU banks to seek lookout circulars against wilful defaulters](#)

Jan 27, 2019, 07.07 PM IST

READ MORE

[Budget 2019 Full Coverage](#) →

ADVERTISEMENT

READ MORE: [Shaktikanta Das](#) | [Punjab National Bank](#) | [psu banks](#) | [piyush goyal](#) | [Asset Management](#) | [Arun Jaitley](#)

Default rate in small loans lowest: Study



Related Companies

Punjab National Bank

0.1 (0.13%)



LATEST COMMENT

Having set the rules, don't pressurise them. Leave them to do their job. You are not an expert, they are. Please stop pestering them.

- Kamlesh Bhatt

[VIEW ALL 2 COMMENTS](#)

[ADD COMMENT](#)

SUBSCRIBE TO: