**Trends in the Receipt and Disposal of RTI Applications by**

**Public Sector Banks and the Reserve Bank of India in 2016-17**

**(Based on statistics reported to the Central Information Commission)**

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***Background***

To say that the banking sector in India is going through a “crisis phase” would be a bald understatement. Bad loans or “non-performing assets” (NPAs) – the officially sanitised terminology, have risen to unprecedented levels in 2018. According to the [statistics that the Union Minister of State for Finance](http://164.100.47.190/loksabhaquestions/annex/14/AU6618.pdf), tabled in the Lok Sabha on 06 April, 2018, NPAs in gross form (pun intended) stood at INR 6.89 lakh (more than USD 150 billion) crores at the end of June, 2017. There is speculation in the media that [this figure might have crossed INR 9 lakh crores](https://economictimes.indiatimes.com/markets/stocks/news/gross-npa-may-rise-to-rs-9-5-lakh-crore-by-march-study/articleshow/62603229.cms) by now. A few months ago, the ruling NDA and the Opposition traded charges in Parliament over who should be held responsible for so many loans going bad. The UPA was in power for a decade until the fag end of May 2014. The banking sector was saddled with INR 2.67 lakh crores worth of gross NPAs at the end of the fiscal year 2014-15 - almost a year after the NDA took over. More [recent reports](http://indianexpress.com/article/business/banking-and-finance/recovery-rate-of-npa-write-offs-falling-uco-bank-draws-a-blank-5140203/) indicate that the rate of recovery of written off bad loans has also been extremely poor during the last four years.

[Some economists](https://blogs.timesofindia.indiatimes.com/toi-edit-page/why-we-dont-need-psbs-bank-privatisation-must-be-on-the-reform-agenda-of-the-next-government/) are once again calling for the privatisation of public sector banks (PSBs) to improve their governance and functioning. The [recommendations of the PJ Nayak Committee](http://rbidocs.rbi.org.in/rdocs/PublicationReport/Pdfs/BCF090514FR.pdf) which reviewed the governance of boards of banks- both public and private in India submitted to the Reserve Bank of India in May 2014 are being dusted and dished out to the public in support of these demands. This committee identified the application of *The Right to Information Act, 2005* (RTI Act) to all PSBs as a major constraint affecting their governance amongst others. No statistics or anecdotal information were furnished in support of this finding.

Ever since the publication of the report of the PJ Nayak Committee, [CHRI has been examining the trend](https://economictimes.indiatimes.com/industry/banking/finance/banking/decline-in-rti-applications-received-by-psu-banks-study/articleshow/44790520.cms) of [disposal of RTI applications by PSBs](https://thewire.in/26828/three-public-sector-banks-with-high-non-performing-assets-rejected-most-rti-requests-in-2014-15-study) based on the Annual Reports of the Central Information Commission (CIC), [year after year](https://thewire.in/economy/rti-banks-rbi-public-sector-banks). Official RTI statistics do not seem to show evidence of any undue burden on them as the average load factor on each branch of a PSB was less than 2 RTI applications per year. In 2014 we analysed RTI data of 20 PSBs which reported a large number of RTI applications.

This year we present our findings about the manner of disposal of RTI applications by all 26 PSBs and their regulator – the Reserve Bank of India (RBI). Our main findings are based on an analysis of the statistical data that the CIC has published in its [2016-17 Annual Report](http://www.cic.gov.in/sites/default/files/Reports/CIC%20Annual%20Report%20English%202016-17.pdf) released in March, 2018.

***Major findings***

Our major findings are given below followed by the data table that has been created for this study using statistics published in the CIC’s Annual reports and banking-related statistics published by RBI from time to time. Towards the end of this report, the graphs and pie charts referred to in the paragraphs below are attached. (The data tables may be accessed by right clicking the mouse button after placing it on the selected graph or pie chart.) We have grouped our major findings under the following categories:

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| --- | --- | --- |
| I. Trends in the receipt of RTI applications | 1. Average load factor of RTI applications in PSBs
 | 1. Trends in the disposal of RTI applications
 |
| IV. The use of certain exemptions in a questionable manner  | V. Trends in the Banks’ use of legitimate exemptions | VI. RTI versus NPAs |

***I. Trends in the receipt of RTI applications:***

In this segment the number of RTI applications received by PSBs in 2016-17 have been analysed in comparison with similar data reported the previous year:

* **25 PSBs received more than 73,000 RTI applications** in 2016-17 (See Table below: only fresh receipts are included in this figure after deducting the backlog pending from the previous reporting year). **This is a dip of almost 4% (3.92%)** over the previous year. In 2015-16 PSBs reported receiving more than 76,000 RTI applications. However, Central Bank of India which accounts for 3,000 - 3,500 RTI applications per year did not report its statistics to the CIC in 2016-17. Had their RTI figures been available, the total might have been in the same range as that reported in 2015-16. In comparison, the overall RTI numbers for the Government of India (1,965 public authorities including PSBs) witnessed [a dip of 6%](http://www.humanrightsinitiative.org/blog/cic-reports-more-than-6-dip-in-the-total-number-of-rti-applications-received-by-central-government) as compared to the figures reported in 2015-16;
* **RBI reported receiving more than 13,000 RTI applications in 2016-17 – an increase of more than 14% over the previous year** (see Table below). Perhaps some of these RTI applications including several submitted by this author sought information about the demonetisation exercise launched by the NDA Government in November 2016;
* **25 PSBs and RBI account for more than half of the RTI applications (57.33**%) reported by the Union Ministry of Finance which is their nodal ministry. In 2015-16, PSBs accounted for less than half (48%) of the RTI applications that the Ministry reported. Nevertheless, the overall number of RTI applications reported by the Finance Ministry remains in the range of 1.5 lakhs (151,186) in 2016-17. **15 Banks (including RBI) reported an increase in the number of RTI applications** as compared to the previous year (see Table and Graph 1.2 below). **So, in 2016-17, more people sought information from banks as compared to other public authorities under the Finance Ministry**;
* **With more than 25,300 RTI applications received, once again the** **State Bank of India (SBI) was the biggest grosser, accounting for more than a third (33.20%)** of the total number of RTI applications received by PSBs in 2016-17 (see Table and Graphs 1.1 & 1.2 below). **Of the remaining PSBs, Punjab National Bank (7,715), Bank of Baroda (4,809), Bank of India (4,295) and Canara Bank (3,918) claimed the next top 4 positions** reporting the largest number of RTI applications (see Table and Graph 1.1 below);
* In the top-5 category, **Canara Bank reported the biggest increase of 36.56%** while **Bank of India reported a rise of 9.43%** as compared to the previous year (2015-16). The remaining top-grossers reported a drop in the number of RTI applications received (see Table and Graph 1.2 below);
* **11 of 25 PSBs reported a fall in the number of RTI applications received in 2016-17 as compared to the previous year**. **Two PSBs** reported a **fall of more than 50%, namely, Union Bank of India (58.25%) and State Bank of Hyderabad (52.11%). State Bank of Travancore and Oriental Bank of Commerce reported a dip of 36-37% in the number of RTI applications received** (see Table and Graph 1.2 below). **In the top-5 biggest grossers category, Punjab National Bank and Bank of Baroda reported a drop of more than 5% each, while State Bank of India reported a drop of 0.10%** in the number of RTI applications received as compared to the previous year (see Table and Graph 1.2 below);
* Among PSBs reporting a huge spike in the number of RTI applications received in 2016-17 as compared to the previous year (even though they are not top grossers), **United Bank of India reported more than 600%** increase followed by **UCO Bank with an increase of more than 112%** - the highest proportion of increase among 25 PSBs**.** Interestingly, [UCO Bank is said to have failed to recover even a paisa from the bad loans written off](http://indianexpress.com/article/business/banking-and-finance/recovery-rate-of-npa-write-offs-falling-uco-bank-draws-a-blank-5140203/) during 2014-18 (data as of December 2017 (see Table and Graph 1.2 below);
* **Corporation Bank reported an increase of almost 35%** in the number of RTI applications received as compared with the previous year while **Vijaya Bank reported an increase of more than 22%** and **Syndicate Bank reported a hike of almost 18%** (see Tableand Graph 1.2 below).

***II. Average load factor of RTI applications in PSBs:***

The PJ Nayak committee blamed RTI as a major constraint on the governance of PSBs without putting out any data or evidence in support of its finding. Our findings regarding the average load factor of RTI applications per branch are given below:

* **Only 3 PSBs, namely, State Bank of India (1.39), State Bank of Bikaner and Jaipur (1.25) and Punjab National Bank (1.10) averaged more than 1 RTI application per branch** in 2016-17 (see Table below). All other Banks averaged less than 1 RTI application per branch. **So the RTI statistics submitted by PSBs to the CIC do not prove the “constraint theory” identified by the P J Nayak Committee** (see Table below)**.**

However, it must be admitted thatcurrent statistics reported to the CIC do not indicate the degree of concentration of RTI applications in the branch offices of these Banks. It is quite possible that some of the branch offices might receive more RTI applications than others. It is important to conduct a third party assessment of the spread of RTI applications between bank branches and then identify measures to assist those branches receiving a large number of RTI applications to deal with them speedily.

***III. Trends in the disposal of RTI applications:***

This segment contains findings from our analysis of the overall trends regarding rejection of RTI applications:

* While the **RTI applications received by 26 Banks (including RBI) in 2016-17 account for 9%** of the total number of RTI applications received by all reporting public authorities the **Government of India, they account for 33% of the rejections** (see Table and Graphs 1.4 and 1.5 below). In comparison, the overall rejection rate for the Union Ministry of Finance was much lower at 18.41%. **13 of 25 PSBs** (i.e., more than 50% of them) reported an increase in the rejection rate in 2016-17 (see Graphs 1.6 and 1.9 below). **In other words, the rate of rejection of RTI applications was much higher in PSBs as compared to other public authorities under the Government of India.** Resistance to transparency seems to have increased during this period, particularly when the banking sector is going through a difficult phase;
* The **State Bank of Hyderabad rejected a record 71% or 7 out of every 10 RTI applications** received in 2016-17 (see Table and Graph 1.3 below). Thisis the highest rate of rejection reported by any public authority that is not covered under Section 24 of the RTI Act.[[1]](#footnote-1) **Oriental Bank of Commerce rejected every 2nd RTI application** (50% of the RTI applications rejected). **Corporation Bank’s rejection rate was at 47.3% while Andhra Bank rejected 45.9%** of the RTI applications received in 2016-17. Both **Dena Bank and Canara Bank rejected more than 40%** of the RTI applications received during this period.
* **6 PSBs rejected more than one third of the RTI applications they received** in 2016-17. These are: Vijaya Bank (38.2%), Allahabad Bank (36.6%), Indian Overseas Bank (35.3%), Bank of Baroda (34.6%), State Bank of Mysore (34.1%), Bank of Maharashtra (34%), (see Table and Graph 1.3 below);
* **Punjab National Bank** which has been in the news recently because of the more than USD 1.8 billion- Letters of Undertaking (LoU) fraud allegedly committed in collusion with certain business houses, **rejected almost 3 of every 10 RTI applications** received in 2016-17 (see Table and Graph 1.3 below);
* Interestingly, **Punjab National Bank reported a dip of more than 5% in the number of RTI applications received while its rate of rejection also decreased at 0.8%**. **State Bank of India and State Bank of Mysore also reported a dip both in the number of RTI applications received and the rate of rejection** (see Table and Graph 1.7 below);
* **3 PSBs, namely, Indian Bank (11.7%), State Bank of Patiala (13.5%) and United Bank of India (13.5%)** reported the **lowest rejection rate** (see Table and Graph 1.3 below);
* **5 PSBs namely IDBI Bank Ltd., Indian Bank, State Bank of Bikaner and Jaipur, Vijaya Bank and RBI reported an increasing trend in both receipts of RTI applications and rejections** (see Table and Graph 1.6 below);
* **RBI reported the lowest rejection rate among all Banks at 2.5%** in 2016-17, but this figure is almost double the rejection rate of 1.3% reported in 2015-16 (see Table and Graph 1.3 below). Perhaps their refusal to open up records relating to the demonetisation exercise begun in November 2016 , printing of new currency notes and their circulation to treasury chests situated across the country have added to these numbers;
* **8 PSBs, namely, Allahabad Bank, Bank of Baroda, Oriental Bank of Commerce, Punjab and Sind Bank, State Bank of Hyderabad, State Bank of Patiala, State Bank of Travancore and Union Bank of India reported a dip in the number of RTI applications received in 2016-17 but rejected more RTI applications** as compared to the previous year. **While the State Bank of Hyderabad’s RTI applications were reduced to less than half of the previous year, its rejection rate went up by more than 19%**. **The Union Bank of India reported a reduction of more than 58% in the number of RTI applications received while the rejection rate went up by more than 3%** as compared to the previous year (see Table and Graph 1.9 below);
* **10 PSBs, namely, Andhra Bank, Bank of India, Bank of Maharashtra, Canara Bank, Corporation Bank, Dena Bank, Indian Overseas Bank, Syndicate Bank, UCO Bank and United Bank of India reported an increase in the number of RTI applications received but a fall in the rate of rejection**. While **United Bank of India reported a whopping 608% increase in the number of RTI applications received, its rejection rate fell by 51.7%** as compared to the previous year (see Table and Graph 1.8);

***IV. The use of certain exemptions in a questionable manner:***

This segment contains our findings which raise questions about the manner of rejection of RTI applications by PSBs:

* **Once again, a large number of PSBs and RBI rejected more RTI applications under “Others” category** instead of the legally permissible exemptions to disclosure provided under Sections 8, 9 11 and 24 of the RTI Act. As to what criteria covers “Others” category, remains a mystery (see Pie Charts 1.10 and 1.11 below). Despite the CIC reportedly moving to delete “Others” category from the RTI statistics reporting software, the Banks are still using this category for reporting. **While PSBs rejected 6,625 RTI applications under “Others” category, only 6,616 RTI applications were rejected under Section 8(1)(j)** relating to personal information and the protection available for privacy- the most frequently invoked of legally permissible exemptions;
* **RBI also rejected more than half (57%) of the RTI applications** it received in 2016-17 **under “Others” category**. Only 144 RTI applications were rejected under the permissible exemptions (see Graphs 1.11 and 1.14 below) **Dena Bank is the only PSB which rejected more RTI applications under “Others” category (48.356%)** instead of the legally permitted exemptions (see Graph 1.14 below);
* **9 PSBs,** namely, **State Bank of India, Canara Bank, Punjab National Bank, Syndicate Bank, Bank of Baroda, Allahabad Bank, Indian Overseas Bank, Dena Bank and State Bank of Bikaner and Jaipur** **rejected more than 200 RTI applications each under “Others” Category** in 2016-17. While **State Bank of India** rejected more than 1,700 RTI applications in this manner, five PSBs (named after it sequentially in Graph 1.12 below) rejected more than 500 RTI applications each under this category;
* **8 Banks, namely UCO Bank, State Bank of Travancore, State Bank of Patiala, Vijaya Bank, Punjab and Sind Bank, State Bank of Mysore, Bank of Maharashtra and United Bank of India rejected less than a 100 RTI applications under “Others” category**. **United Bank of India used this category to reject only 5 RTI applications under “Others”** category even though there was a more than 600% increase in the number of RTI applications it received as compared to the previous year (see Graphs 1.13 and 1.2 below);
* **Only 2PSBs, namely, Indian Bank and Union Bank of India did not reject any RTI application under “Other” category**;
* **3 PSBs, namely, Syndicate Bank (7) and Allahabad Bank and Punjab and Sind Bank (5 each) rejected RTI applications under Section 24 of the RTI Act** (See Graph 1.15). Section 24 exempts notified intelligence and security organisations from the ordinary obligations of transparency applicable to other public authorities. It also excludes any information that such exempt organisations give to the Government which notifies them under Section 24 of the Act. None of the PSBs are exempt under Section 24 of the RTI Act, so the bar on disclosure will not apply to them. As to how these 3 PSBs could legitimately claim the protection of Section 24 is a mystery. An examination of these RTI applications and responses will be required. However, the RTI applications that they processed in 2016-17 are not available on their official website;[[2]](#footnote-2)
* **9 PSBs invoked Section 8(1)(f) of the RTI Act to reject 164 RTI applications in 2016-17** (see Graph 1.26 below). **Vijaya Bank employed this exemption to reject 47 RTI applications during this period while Allahabad Bank, State Bank of Patiala and State Bank of Hyderabad employed this exemption to reject between 20-30 RTI applications** (see Graph 1.26 below).

Section 8(1)(f) exempts information that is received in confidence from a foreign Government. An important question that must be asked is how and why PSBs are receiving information from foreign Governments in the course of their routine business. It is the Finance Ministry, or the Ministry of External Affairs or any other Department under the Government of India that is competent to communicate with foreign governments. **Interestingly, RBI did not employ Section 8(1)(f) to reject any RTI application in 2016-17, nor did any of the remaining 16 PSBs**. The use of Section 8(1)(f) by PSBs to reject RTI applications requires deeper probing;

* **All 25 PSBs and RBI invoked Section 8(1)(e) of the RTI Act to reject between 6 to more than 900 RTI applications** (see Graph 1.27 below). **State Bank of India invoked Section 8(1)(e) to reject 902 RTI applications** – **almost three times more than Syndicate Bank and Canara Bank (both of which rejected more than 380 RTI applications each**). State Bank of Mysore (13), Dena Bank (12) and RBI (6) used Section 8(1)(e) the least number of times to reject RTI applications (see Graph 1.27 below);

Section 8(1)(e) of the RTI Act exempts information that is available to a person in his fiduciary relationship. Fiduciary relationships are trust-based relationships such as those between a doctor and a patient, a lawyer and a client, parents and their children, managers of orphanages and the wards living there. **In its Master Circular of July 2014, RBI has advised Banks that their obligation to maintain secrecy of customer-related information arises out of a contractual relationship with the customer**.[[3]](#footnote-3) There is no reference to a fiduciary relationship between a Bank and its customer in this Master Circular. Further, Section 8(1)(e) uses the phrase “information available to a person in his fiduciary relationship” while exempting such information. Clearly, the law seeks to protect information available to a natural individual instead of an artificial juridical entity like PSBs. So what kinds of information are being denied by PSBs by treating them as information available in a “fiduciary relationship” with the Banks needs further examination;

* **10 PSBs invoked the Cabinet-related exemption of the RTI Act** [Section 8(1)(i)] **to reject 223 RTI applications in 2016-17** (see Graph 1.21 below). Interestingly, 2/3rds of these RTI applications were rejected by only 2 PSBs, namely, **State Bank of India and Corporation Bank. RBI did not invoke this exemption even once** during this period (see Graph 1.21 and Pie Chart 1.11 below). Section 8(1)(i) is strictly connected with Cabinet-related matters. Given the probability that these two Banks might not have sent such a large number of proposals for the consideration of the Union Cabinet, the legitimacy of invoking Section 8(1)(i) of the Act to reject so many RTI applications is moot. It is also probable that several citizens might have sought information about a very small number of proposals sent by these PSBs to the Union Cabinet. So whether these PSBs invoked the Cabinet-related exemption legitimately can be ascertained only through an in-depth study of the relevant RTI applications.

***V. Trends in the Banks’ use of legitimate exemptions*:**

This segments contains our findings about the manner in which other exemptions were invoked by PSBs to reject RTI applications:

* The frequency with which the legally permissible exemptions are invoked by PSBs are as under in descending order (see Pie Chart 1.10 below):

(**1**) Section 8(1)(j); (**2**) Section 8(1)(e); (**3**) Section 8(1)(d); (**4**) Section 8(1)(h); (**5**) Section 8(1)(g); (**6**) Section 8(1)(i); (**7**) Section 11; (**8**) Section 9; (**9**) Section 8(1)(f); (**10**) Section 24; (**11**) Section 8(1)(a); (**12**) Section 8(1)(b) and (13) Section 8(1)(c).

* **Section 8(1)(j) of the RTI Act was the most frequently invoked of legally permissible exemptions in 2016-17**. Under this provision the disclosure of personal information of an individual whose privacy must be protected is exempt. **State** **Bank of India invoked this exemption to reject more than 1,100 RTI applications along with 10 other PSBs that rejected more than 200 RTI applications** by invoking this exemption (see Graph 1.18 below). **7 PSBs invoked this exemption to reject between 100-200 RTI applications in 2016-17** (see Graph 1.19 below). Among the 25 PSBs, **Union Bank of India invoked Section 8(1)(j) the least** number of times (22). Interestingly, **RBI rejected only six RTI applications under this category** (see Pie Chart 1.20 below);
* **24 PSBs invoked Section 8(1)(d) more than 4,200 times to reject RTI applications in 2016-17** (see Graph 1.10 below). While **State Bank of India invoked Section 8(1)(d) to reject more than 700 RTI applications, six PSBs, namely, Punjab National Bank, Syndicate Bank, Bank of India, Bank of Baroda, IDBI Bank Ltd. and Oriental Bank of Commerce, invoked it to reject more than 200 RTI applications each**. **Canara Bank was the only PSB which did not invoke this exemption to reject any RTI application**. **RBI invoked Section 8(1)(d) to reject only four RTI applications** during this period (see Graph 1.28 below).

Section 8(1)(d) of the RTI Act protects information that is in the nature of commercial confidence, trade secrets or intellectual property rights (IPRs) where disclosure will harm the competitive position of a “third party”. In other words, this exemption is not available for a public authority to protect its own information that is in the nature of commercial confidence, trade secrets or IPRs.[[4]](#footnote-4) An in-depth study of the RTI applications rejected by PSBs under Section 8(1)(d) will be in order to assess whether they are legitimately claiming the protection of this exemption;

* Despite the overall trend of PSBs using Section 8(1)(j) relating to privacy of an individual most often to reject RTI applications, **11 PSBs bucked this trend in 2016-17. 8 PSBs invoked Section 8(1)(d) of the RTI Act more often than Section 8(1)(j)** to reject RTI applications in 2016-17. These are: **Syndicate Bank (**568:563)**, Bank of India** (357:276)**, IDBI Bank Ltd.** (277:53)**, Oriental Bank of Commerce** (249:238)**, Union Bank of India** (160:22)**, Indian Overseas Bank** (67:40)**, State Bank of Travancore** (46:35) **and United Bank of India** (44:36 (see Graph 1.29 below).
* Three PSBs **rejected more RTI applications under Section 8(1)(e) i.e., information held in a fiduciary relationship than on grounds of invasion of privacy of an individual protected under Section 8(1)(j) of the RTI Act. These are: Indian Bank** (247:41)**, IDBI Bank Ltd.** (236:53) **and Vijaya Bank** (164:42) see Graph 1.30 below);
* Similarly, **11 PSBs invoked the fiduciary exemption** under Section 8(1)(e)of the RTI Act **more often than** Section 8(1)(d) **which protects information in the nature of commercial confidence, trade secrets or IPRs** in 2016-17. **State Bank of India (902:708), Canara Bank (386:0), State Bank of Bikaner Jaipur (334:18), Allahabad Bank (321:181) and Indian Overseas Bank (252:67)** topped this category in that order (see Graph 1.31 below);
* **24 Banks invoked Section 8(1)(h) of the RTI Act to reject between 1-62 RTI applications during 2016-17** (see Graphs 1.22 and 1.23 below). **Syndicate Bank invoked this exemption in 62 cases followed by Bank of India in 43 cases, State Bank of India in 39 cases and Punjab National Bank in 34 cases**. **RBI invoked this exemption in 2 instances only**. Canara Bank and Vijaya Bank did not invoke this exemption at all to reject any RTI application. Section 8(1)(h) prevents the disclosure of information if it will impede the process of investigation or prosecution or apprehension of any offender;
* **19 Banks invoked Section 8(1)(g) to reject between 1-60 RTI applications in 2016-17. State Bank of India invoked it in 60 cases followed by UCO Bank in 47 cases, Bank of India in 34 cases**. **RBI invoked this exemption to reject 16 RTI applications** during this period (see Graphs 1.24 and 1.25 below). **7 PSBs, namely, Canara Bank, Dena Bank, Indian Bank, Oriental Bank of Commerce, State Bank of Hyderabad, Union Bank of India and United Bank of India did not use this exemption** at all to reject any RTI application during this period. Section 8(1)(g) exempts information whose disclosure may endanger the life or safety of an individual or reveal the identity of an informant or intelligence gatherer;
* Only 3 Banks, namely, **RBI, UCO Bank and Bank of Maharashtra rejected a total of 16 RTI applications under Section 8(1)(c)** of the RTI Act in 2016-17. This provision exempts disclosure if it will cause a breach of privilege of Parliament or a State Legislature (see Graph 1.32 below);
* **5 PSBs namely, Allahabad Bank, Oriental Bank of Commerce, UCO Bank, State Bank of Hyderabad and State Bank of Travancore invoked Section 8(1)(b) of the RTI Act to reject 11 RTI applications in 2016-17** (see Graph 1.33 below). Section 8(1)(b) exempts disclosure if it will lead to contempt of court or where a court or tribunal has expressly forbidden any information from being made public;
* **RBI invoked Section 8(1)(a) 99 times to reject RTI applications in 2016-17** (see Graph 1.34 below). **Six PSBs, namely, Bank of India, Oriental Bank of Commerce, Bank of Baroda, State Bank of Patiala, Allahabad Bank and State Bank of India invoked this exemption a handful of times during this period**. Section 8(1)(a) is the omnibus national security exemption clause which covers economic interests of the State within its ambit;
* **Canara Bank topped the category of 5 PSBs invoking Section 9 to reject RTI applications in 2016-17** (see Graph 1.17 below). Section 9 exempts information whose copyright vests in private entities. With 150 rejections under this category as compared to the handful of cases involving other 4 PSBs, the related RTI applications require in-depth study to assess whether this exemption was legitimately invoked by Canara Bank;
* **12 PSBs rejected more than 200 RTI applications under Section 11 of the RTI Act, in 2016-17**. State Bank of India topped this list with more than 70 rejections (see Graph 1.16 below). **RBI did not invoke this exemption at all to reject any RTI application** during this period. Section 11 exempts disclosure of trade or commercial secrets of third parties protected by law.

***VI. RTI versus NPAs:***

This segment contains our findings regarding any correlation between the trends of Net NPAs accumulated by PSBs and the trends in the number of RTI applications received and rejected.

* In **11 PSBs** during the year 2016-17 both the number of RTI applications and the volume of Net NPAs increased (see Graph 1.35 below). These are: **Andhra Bank (3.67% : 71.56%), Bank of Maharashtra (3.99% : 62.29%), Canara Bank (36.56% : 3.92%), Corporation Bank (34.93% : 27.64%), Dena Bank (2.19% : 47.88%), IDBI Bank Ltd. (1.63% : 72.13%), Indian Bank (7.65% : 3.45%) Indian Overseas Bank (5.71% : 2.79%), State Bank of Bikaner and Jaipur (3.14% : 240.60%), Syndicate Bank (17.94% : 15.49%) and United Bank of India (608.89% : 7.87%)**. However, it is difficult to make out any positive correlation in the absence of clues about the nature of information sought. So this could only be a fictive correlation thrown up by the juxtaposition of two sets of statistics;
* **Only 2 PSBs, namely, Punjab National Bank** **(-5.70% : -7.68%), Bank of Baroda (-5.20% : -6.83%) reported a downward trend in the receipt of RTI applications and fall in the size of Net NPAs (see Graph 1.35 below)**;
* **Only 3 PSBs, namely, UCO Bank (112.42% : -6.47%), Bank of India (9.43% : -9.61%) and Vijaya Bank (22.06% : -3.71%) reported a reverse trend where Net NPAs fell and the number of RTI applications increased. The remaining PSBs show a declining trend in the number of RTI applications received along with a rising trend of Net NPAs** (see Graph 1.35 below);
* **Only five PSBs reported an increasing trend of rejection of RTI applications coupled with a trend of falling Net NPAs** (see Graph 1.36 below)**. These are: Bank of Baroda (34.6% : -6.83%), Bank of India (23.5% : -9.61%), Punjab National Bank (29.4% : -7.68%), UCO Bank (26.8% : -6.47%) and Vijaya Bank (38.2% : -3.71%)**. **Most other PSBs reported a rising trend in both rejections and the northward movement of Net NPAs.** For example, **State Bank of Hyderabad saw an increase in the rate of rejection of RTI applications and a massive increase in Net NPAs (71% : 172.33%). State Bank of Bikaner and Jaipur saw a 31.6% rise in the rejection rate while Net NPAs increased by a whopping 240%**. However content analysis of the RTI applications alone will bear out the existence of a positive or negative correlation between these two trends.

***Conclusion***

The CIC must urgently launch a third party audit of Banks receiving the most number of RTI applications as well as those reporting a very high proportion of rejections in order to make an assessment of the manner in which Banks are disposing RTI applications. This exercise can be undertaken in collaboration with representatives from civil society and academia who have deep knowledge of the RTI case law and a thorough understanding of the banking sector. In the matter of *Reserve Bank of India vs Jayantilal N Mistry* and related cases [Transferred Cases (Civil) Nos. 91-101, judgement dated 16/12/2016][[5]](#footnote-5) the Hon’ble Supreme Court of India had directed the Reserve Bank of India to disclose information about NPAs to RTI applicants. Whether the directives of the Apex Court are being complied with or not can be ascertained only by examining the RTI applications and the responses of each Bank. So a third party audit under the aegis of the CIC is the need of the hour.

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| **Comparative Table of RTI Statistics of 26 Public Sector Banks & Reserve Bank of India** **(2014-2017)** |
| **#** | **Name of the Bank** | **Total No.** **of RTI applications in 2014-15***(includes 2013-14 backlog, where reported)[[6]](#footnote-6)* | **Total No.** **of RTI applications in 2015-16***(backlog from 2014-15 + receipts in 2015-16 = total)*[[7]](#footnote-7) | **%age change in the number of RTI applica-tions received between 2014-15 and 2015-16****(+ = increase****- = decrease)** | **Total No.** **of RTI applications in 2016-17***(backlog from 2015-16 + receipts in 2016-17 = total* | **%age change in the number of RTI applica-tions received between 2015-16 and 2016-17****(+ = increase****- = decrease)** | **%age of RTI applicat-ions rejected by the Bank in** **2014-15** | **%age of RTI applica-tions rejected by the Bank in** **2015-16** | **%age of RTI applica-tions rejected by the Bank in** **2016-17** | **No. of offices across the country****(as on March 2017)**[[8]](#footnote-8) | **Average number of RTI applicat-ions per office in 2016-17** | **Volume of Net NPAs as on 31 March, 2016****(in crore Rs.)**[[9]](#footnote-9) | **Volume of Net NPAs as on 31 March, 2017****(in crore Rs.)**[[10]](#footnote-10) | **%age change in the volume of Net NPAs between 2016-2017****(+ = increase****- = decrease)** |
| 1. | **Allahabad Bank** | 73 + 2,857=**2,930** | 95 + 2,976=**3,071** | +4.17% | 91 + 2,668**=2,759** | -10.35% | 35.9% | 36% | 36.6% | 3,379 | 0.79 | 10,292.50 | 13,433.50 | +30.52% |
| 2. | **Andhra Bank** | 0 + 1,176=**1,176** | 0 + 982=**982** | -16.50% | 30 + 1,018**=1,048** | +3.67% | 55.1% | 56% | 45.9% | 3,025 | 0.34 | 6,035.70 | 10,354.80 | +71.56% |
| 3. | **Bank of Baroda** | 154 + 4,678=**4,832** | 193 + 5,073=**5,266** | +8.44% | 228 + 4,809=**5,037** | -5.20% | 32.4% | 29.4% | 34.6% | 5,582 | 0.86 | 19,406.50 | 18,080.00 | -6.83% |
| 4. | **Bank of India** | 6,510 + 2,570 =**9,080** | 6,653 + 3,925=**10,578** | +52.72% | 0 + 4,295=**4,295** | +9.43% | 28.8% | 27.4% | 23.5% | 5,269 | 0.82 | 27,996.40 | 25,305.00 | -9.61% |
| 5. | **Bank of Maharashtra** | 38 + 961=**999** | 20 + 1,352=**1,372** | +40.86% | 40 + 1,406=**1,446** | +3.99% | 43.7% | 38.5% | 34% | 1,978 | 0.71 | 6,919.30 | 11,229.60 | +62.29% |
| 6. | **Canara Bank** | 92 + 2,827=**2,919** | 60 + 2,869=**2,929** | +1.50% | 85 + 3,918=**4,003** | +36.56% | 49.1% | 48.1% | 40.5% | 6,274 | 0.62 | 20,832.90 | 21,64.90 | +3.92% |
| 7. | **Central Bank of India** | 75 + 3,383=**3,458** | 20 + 3,219=**3,239** | -4.85% | NA | NA | 38% | 41.9% | NA | 4,840 | NA | 13,242.00 | 14,218.00 | +7.37% |
| 8. | **Corporation Bank** | 11 + 943=**954** | 28 + 879=**907** | -6.80% | 32 + 1,186=**1,218** | +34.93% | 45.8% | 49.6% | 47.3% | 2,561 | 0.46 | 9,160.10 | 11,692.20 | +27.64% |
| 9. | **Dena Bank** | 67 + 934= **1,001** | 26 + 1,005=**1,031** | -7.60% | 38 + 1,027=**1,065** | +2.19% | 47% | 48% | 41.7% | 1,836 | 0.56 | 5,230.50 | 7,735.10 | +47.88% |
| **Comparative Table of RTI Statistics of 26 Public Sector Banks & Reserve Bank of India** **(2014-2017)** |
| **#** | **Name of the Bank** | **Total No.** **of RTI applications in 2014-15***(includes 2013-14 backlog, where reported)* | **Total No.** **of RTI applications in 2015-16***(backlog from 2014-15 + receipts in 2015-16 = total)* | **%age change in the number of RTI applications received between 2014-15 and 2015-16****(+ = increase****- = decrease)** | **Total No.** **of RTI applications in 2016-17***(backlog from 2015-16 + receipts in 2016-17 = total* | **%age change in the number of RTI applica-tions received between 2015-16 and 2016-17****(+ = increase****- = decrease)** | **%age of RTI applicat-ions rejected by the Bank in** **2014-15** | **%age of RTI applicat-ions rejected by the Bank in** **2015-16** | **%age of RTI applica-tions rejected by the Bank in** **2016-17** | **No. of Branches across the country****(as on March 2017)** | **Average number of RTI applicat-ions per branch in 2016-17** | **Volume of Net NPAs as on 31 March 2016****(in crore Rs.)** | **Volume of Net NPAs as on 31 March, 2017****(in crore Rs.)** | **%age change in the volume of Net NPAs between 2016-2017****(+ = increase****- = decrease)** |
| 10. | **IDBI Bank Ltd.** | 43 + 861=**904** | 37 + 1,230=**1,267** | +42.85% | 51 + 1,250=**1,301** | +1.63% | 24% | 27.2% | 31% | 2,098 | 0.60 | 14,643.40 | 25,205.80 | +72.13% |
| 11. | **Indian Bank** | 77 + 2,162=**2,240** | 66 + 2,456=**2,522** | +13.60% | 81 + 2,644=**2,725** | +7.65% | 11.9% | 9.8% | 11.7% | 2,724 | 0.97 | 5,419.40 | 5,606.60 | +3.45% |
| 12. | **Indian Overseas Bank** | 24 + 1,866=**1,890** | 43 + 1,822=**1,865** | -2.35% | 46 + 1,926=**1,972** | +5.71% | 38.6% | 43.9% | 35.3% | 3,481 | 0.55 | 19,212.60 | 19,749.30 | +2.79% |
| 13. | **Oriental Bank of Commerce** | 0 + 1,975= **1,975** | 0 + 2,026=**2,026** | +2.58% | 575 + 1,285=**1,860** | -36.57% | 34.2% | 32.2% | 50% | 2,906 | 0.44 | 9,932.20 | 14,117.80 | +42.14% |
| 14. | **Punjab and Sind Bank** | 27 + 1,226=**1,253** | 51 + 1,199 =**1,250** | -2.20% | 32 + 1,058=**1,090** | -11.76% | 26.8% | 20% | 30.2% | 1,544 | 0.69 | 2,949.50 | 4,375.10 | +48.33% |
| 15. | **Punjab National Bank** | 216 + 7,563=**7,779** | 224 + 8,181=**8,405** | +8.17% | 238 + 7,715=**7,953** | -5.70% | 28% | 30.2% | 29.4% | 7,029 | 1.10 | 35,422.60 | 32,702.10 | -7.68% |
| 16. | **State Bank of Bikaner & Jaipur** | 21 + 1,667=**1,688** | 35 + 1,753=**1,788** | +5.16% | 40 + 1,808=**1,848** | +3.14% | 22.6% | 28.7% | 31.6% | 1,445 | 1.25 | 2,005.20 | 6,829.70 | +240.60% |
| 17. | **State Bank of Hyderabad** | 0 + 943=**943** | 0 + 877= **877** | -7% | 310 + 420=**730** | -52.11% | 32.8% | 51.9% | 71% | 2,071 | 0.2 | 3,743.20 | 10,193.80 | +172.33% |
| 18. | **State Bank of India** | 171 + 24,612=**24,783** | 102 + 25,345 = **25,447** | +2.98% | 243 + 25,320=**25,563** | -0.10% | 20% | 18.4% | 17.2% | 18,245 | 1.39 | 55,807.00 | 58,277.40 | +4.43% |
| 19. | **State Bank of Mysore** | 0 + 682=**682** | 0 + 608=**608** | -10.85% | 0 + 528=**528** | -13.16% | 26.1% | 36.3% | 34.1% | 1,157 | 0.46 | 2,257.20 | 5,824.30 | +158.03% |
| **Comparative Table of RTI Statistics of 26 Public Sector Banks & Reserve Bank of India** **(2014-2017)** |
| **#** | **Name of the Bank** | **Total No.** **of RTI applications in 2014-15***(includes 2013-14 backlog, where reported)* | **Total No.** **of RTI applications in 2015-16***(backlog from 2014-15 + receipts in 2015-16 = total)* | **%age change in the number of RTI applications received between 2014-15 and 2015-16****(+ = increase****- = decrease)** | **Total No.** **of RTI applications in 2016-17***(backlog from 2015-16 + receipts in 2016-17 = total* | **%age change in the number of RTI applica-tions received between 2015-16 and 2016-17****(+ = increase****- = decrease)** | **%age of RTI applicat-ions rejected by the Bank in** **2014-15** | **%age of RTI applicat-ions rejected by the Bank in** **2015-16** | **%age of RTI applica-tions rejected by the Bank in** **2016-17** | **No. of Branches across the country****(as on March 2017)** | **Average number of RTI applicat-ions per branch in 2016-17** | **Volume of Net NPAs as on 31 March 2016****(in crore Rs.)** | **Volume of Net NPAs as on 31 March, 2017****(in crore Rs.)** | **%age change in the volume of Net NPAs between 2016-2017****(+ = increase****- = decrease)** |
| 20. | **State Bank of Patiala** | 30 + 1,317=**1,347** | 52 + 1,315=**1,367** | +0.15% | 41 + 1,250=**1,291** | -4.94% | 20% | 12.9% | 13.5% | 1,442 | 0.87 | 3,268.20 | 10,840.30 | +231.69% |
| 21. | **State Bank of Travancore** | 15 + 817=**832** | 0 + 749=**749** | -8.32% | 0 + 465=**465** | -37.92% | 31.8% | 27.2% | 30.3% | 1,256 | 0.37 | 1,813.70 | 4,966.60 | +173.84% |
| 22. | **Syndicate Bank** | 21 + 2,637=**2,658** | 49 + 2,442=**2,491** | -7.40% | 57 + 2,880=**2,937** | +17.94% | 30.4% | 31.2% | 24.6% | 4,104 | 0.70 | 9,014.90 | 10,411.00 | +15.49% |
| 23. | **UCO Bank** | 66 + 1,890=**1,956** | 66 + 1,637=**1,703** | -14% | 59 + 1,591=**1,650** | +112.42% | 24.5% | 27.7% | 26.8% | 3,157 | 0.50 | 11,443.60 | 10,703.40 | -6.47% |
| 24. | **Union Bank of India** | 60 + 2,176=**2,236** | 46 + 2,455=**2,501** | +12.82% | 30 + 1,025=**1,055** | -58.25% | 20.7% | 20.2% | 23.3% | 4,426 | 0.23 | 14,025.90 | 18,832.10 | +34.27% |
| 25. | **United Bank of India** | 0 + 643=**643** | 0 + 135=**135** | -79% | 0 + 957=**957** | +608.89% | 6.2% | 65.2% | 13.5% | 2,076 | 0.46 | 6,110.70 | 6,591.90 | +7.87% |
| 26. | **Vijaya Bank** | 0 + 966=**966** | 25 + 798=**823** | -17.39% | 1 + 974=**975** | +22.06% | 39.4% | 19.7% | 38.2% | 2,128 | 0.46 | 4,276.80 | 4,118.20 | -3.71% |
|  | **Total** *(includes only fresh receipts in a given year)* | **74,332** | **76,420** | - | **73,423** | - |  |
|  |
| 27. | **Reserve Bank of India** | 36,227 + 7,041=**43,268** | 38,884 + 11,564=**50,448** | +64.24% | 41,113 + 13,260=**54,373** | +14.67% | 2.1% | 1.3% | 2.5% | - |

1. **Graphs & Charts based on RTI-related data reported by Banks for 2016-17**

 **NR = Data not reported**

**NR = Data not reported**

**NR = Data not reported**

**NR = Data not reported**

 **NR = Data not reported**

**NR = Data not reported**

**NR = Data not reported**

1. Section 24 of the RTI Act insulates notified intelligence and security agencies from the ordinary obligations of transparency imposed on other public authorities. Organisations like the Directorate of Revenue Intelligence, Central Economic Intelligence Bureau and the Financial Intelligence Unit falling under the Union Ministry of Finance are notified as exempt under this provision. However, these bodies are obligated to disclose information about allegations of corruption. They are also required to disclose information about allegations of human rights violations with the approval of the CIC within 45 days of receiving the RTI application. Currently 26 intelligence and security organisations have bene exempted under Section 24 of the RTI Act. [↑](#footnote-ref-1)
2. Nevertheless, these bodies are obligated to disclose information about allegations of corruption. They are also required to disclose information about allegations of human rights violations with the approval of the CIC. [↑](#footnote-ref-2)
3. Master Circular on Customer Service in Banks of No. RBI/2014-15/72 DBOD No. Leg.BC.21/09.07.006/2014-15 accessible on the RBI’s website at: <https://rbi.org.in/scripts/NotificationUser.aspx?Mode=0&Id=9008>, accessed on 17 April, 2018. [↑](#footnote-ref-3)
4. Many Information Commissions miss this fine distinction as this author discovered to his dismay recently. Last year, the CIC rejected his appeal under Section 8(1)(d) of the RTI Act by citing one of its obsolete decisions which has since been superseded by findings of the Delhi High Court. The Delhi High Court has clearly held that the protection of Section 8(1)(d) is not available to a public authority that holds the information requested under the RTI Act. See: *Virender Singh Dabad vs The Executive Director Etc.*, WP(C) 2143/2011, order dated, 28/11/2011 which was confirmed by a Division Bench of the Delhi High Court in the matter of *General Manager Finance, Air India Ltd. & Anr vs Virender Singh,* LPA No. 205/2012, judgement dated 16/7/2012. [↑](#footnote-ref-4)
5. AIR 2016 SC 1. [↑](#footnote-ref-5)
6. Annual Report of the Central Information Commission for the year 2014-15 accessed on the CIC website at: <http://www.cic.gov.in/sites/default/files/Reports/AR2014-15E.pdf>, accessed on 28 March, 2018. [↑](#footnote-ref-6)
7. Annual Report of the Central Information Commission for the year 2015-16 accessible on the CIC website at: <http://www.cic.gov.in/sites/default/files/Reports/CIC%20Annual%20Report%20English-2015-16.pdf>, accessed on 08 May, 2017. [↑](#footnote-ref-7)
8. Reserve Bank of India, *Statistical Tables Relating to Banks in India 2016-17:* Other Tables 2016-17- “Table 6: Bank-wise and Population Group-wise Number of Functioning Offices of Commercial Banks at the end of the Quarter”- accessible on the RBI website at: <http://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!4>, accessed on 28 March, 2018. [↑](#footnote-ref-8)
9. Reserve Bank of India, *Statistical Tables Relating to Banks in India 2016-17*- Table 7: Movement of Non-performing Assets (NPAs)of Scheduled Commercial Banks” – accessible on the RBI website at: <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!4>, accessed on 28 March, 2018. [↑](#footnote-ref-9)
10. Ibid. [↑](#footnote-ref-10)