

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-213**  
ANSWERED ON- 05/12/2023

**TOTAL NPAs OR BAD LOANS OF BANKS**

213. SHRI R. GIRIRAJAN

Will the Minister of FINANCE be pleased to state:-

- (a) whether Government has written off ₹ 25 Lakh Crores in the last five years and if so, the details thereof bank-wise;
- (b) the total NPAs or bad loans of banks as on date, bank-wise;
- (c) the effective measures taken by Government to recover such bad loans and NPA amount from defaulters; and
- (d) whether Government has allowed even up to 50 per cent haircut to recover the NPAs and Bad debts and if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a): The Government does not write-off any loan given to borrowers by banks. As per Reserve Bank of India (RBI) guidelines and policy approved by banks' Boards, NPAs, including, *inter-alia*, those in respect of which full provisioning has been made on completion of four years, are removed from the balance-sheet of the bank concerned by way of write-off. Banks evaluate/consider the impact of write-offs as part of their regular exercise to clean up their balance-sheet, avail tax benefit and optimise capital, in accordance with the said guidelines and policies of the respective Boards. Such write-off does not result in waiver of liabilities of borrowers to repay and therefore, write-off does not benefit the borrowers. The borrowers of written-off loans continue to be liable for repayment and banks continue to pursue recovery actions initiated in written-off accounts through various recovery mechanisms available to them, such as filing of a suit in civil courts or in Debts Recovery Tribunals, action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, filing of cases in the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, through negotiated settlement/compromise, and through sale of non-performing assets. As per RBI data, scheduled commercial banks (SCBs) have written-off an aggregate loan amount of Rs. 10.57 lakh crore during the last five financial years.

(b) and (c): Bank-wise details of gross NPAs of SCBs as on 31.03.2023 are at Annex. Comprehensive steps have been taken to recover NPAs, enabled by which, SCBs have made an aggregate recovery of Rs. 7,15,507 crore (RBI provisional data for FY 2022-23) in NPA accounts, including written-off loans, during the last five financial years. These steps include, *inter alia*, the following:

- (1) Change in credit culture has been effected, with IBC fundamentally changing the creditor-borrower relationship, taking away control of the defaulting company from promoters/owners, and debarring wilful defaulters from the resolution process. To make the process more stringent, personal guarantor to corporate debtor has also been brought under the ambit of IBC.
- (2) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been amended to make it more effective.
- (3) The pecuniary jurisdiction of Debt Recovery Tribunal (DRTs) was increased from Rs. 10 lakh to Rs. 20 lakh, to enable the DRTs to focus on high value cases resulting in higher recovery for the banks and financial institutions.
- (4) National Asset Reconstruction Company Limited has been set up as an asset reconstruction company with an aim to resolve stressed assets above Rs. 500 crore each. Government has also approved extending a guarantee of up to Rs. 30,600 crore to back Security Receipts issued by NARCL to Lending Institutions for acquiring stressed loan assets.
- (5) PSBs have also created Stressed Asset Management Verticals for stringent recovery, segregated pre- and post-sanction follow-up roles for clean and effective monitoring, and engaging specialised monitoring agencies for monitoring of large-value accounts.
- (6) Prudential Framework for Resolution of Stressed Assets was issued by RBI in 2019 to provide a framework for early recognition, reporting and time bound resolution of stressed assets, with a build-in incentive to lenders for early adoption of a resolution plan.

(d): As per RBI guidelines, banks are required to have a Board-approved loan recovery policy in place, which, *inter-alia*, sets down the manner of recovering of dues and norms for permitted sacrifice.

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## Rajya Sabha unstarred question no. 213, regarding Total NPAs or Bad Loans of Banks

**Details of gross non-performing assets (NPAs) of Scheduled Commercial Banks  
as on 31.3.2023**

Amounts in crore Rs.

| <b>Bank</b>                                       | <b>Gross NPAs</b> |
|---|-------------------|
| American Express Banking Corporation              | 288               |
| AU Small Finance Bank Limited                     | 981               |
| Australia and New Zealand Banking Group Limited   | -                 |
| Axis Bank Limited                                 | 17,019            |
| Bandhan Bank Limited                              | 5,299             |
| Bank of Bahrain and Kuwait B.S.C.                 | 18                |
| Bank of Baroda                                    | 36,764            |
| Bank of Ceylon                                    | 50                |
| Bank of India                                     | 37,686            |
| Bank of Maharashtra                               | 4,334             |
| Bank of Nova Scotia                               | 0                 |
| Barclays Bank PLC                                 | 32                |
| BNP Paribas                                       | -                 |
| Canara Bank                                       | 46,160            |
| Capital Small Finance Bank Limited                | 153               |
| Central Bank of India                             | 18,386            |
| Citibank N.A.                                     | 207               |
| City Union Bank Limited                           | 1,920             |
| Cooperatieve Rabobank U.A.                        | 104               |
| Credit Agricole Corporate and Investment Bank     | 3                 |
| CSB Bank Limited                                  | 263               |
| CTBC Bank Company Limited                         | 1                 |
| DBS Bank India Limited                            | 2,743             |
| DCB Bank Limited                                  | 1,123             |
| Deutsche Bank AG                                  | 1,748             |
| Doha Bank Q.P.S.C                                 | 27                |
| Equitas Small Finance Bank Limited                | 724               |
| ESAF Small Finance Bank Limited                   | 352               |
| Federal Bank Limited                              | 4,184             |
| Fincare Small Finance Bank Limited                | 288               |
| FirstRand Bank Limited                            | -                 |
| HDFC Bank Limited                                 | 18,012            |
| Hongkong and Shanghai Banking Corporation Limited | 524               |
| ICICI Bank Limited                                | 29,986            |
| IDBI Bank Limited                                 | 10,969            |
| IDFC First Bank Limited                           | 3,884             |
| Indian Bank                                       | 28,180            |

| <b>Bank</b>                           | <b>Gross NPAs</b> |
|---------------------------------------|-------------------|
| Indian Overseas Bank                  | 14,072            |
| IndusInd Bank Limited                 | 5,826             |
| Jammu a Kashmir Bank Limited          | 5,204             |
| Jana Small Finance Bank Limited       | 709               |
| Karnataka Bank Limited                | 2,293             |
| Karur Vysya Bank Limited              | 1,458             |
| KEB Hana Bank                         | 40                |
| Kotak Mahindra Bank Limited           | 5,768             |
| Lakshmi Vilas Bank Limited            | -                 |
| Mizuho Bank Limited                   | 6                 |
| Nainital Bank Limited                 | 448               |
| North East Small Finance Bank Limited | 347               |
| PT Bank Maybank Indonesia TBK         | -                 |
| Punjab and Sind Bank                  | 5,648             |
| Punjab National Bank                  | 77,328            |
| Qatar National Bank (Q.P.S.C.)        | 52                |
| RBL Bank Limited                      | 2,420             |
| Sberbank                              | 22                |
| SBM Bank (India) Limited              | 97                |
| Shinhan Bank                          | 156               |
| Shivalik Small Finance Bank Limited   | 33                |
| Societe Generale                      | 79                |
| Sonali Bank                           | 4                 |
| South Indian Bank Limited             | 3,708             |
| Standard Chartered Bank               | 3,233             |
| State Bank of India                   | 90,928            |
| Suryoday Small Finance Bank Limited   | 191               |
| Tamilnad Mercantile Bank Limited      | 521               |
| The Dhanalakshmi Bank Limited         | 511               |
| UCO Bank                              | 7,726             |
| Ujjivan Small Finance Bank Limited    | 631               |
| Union Bank of India                   | 60,987            |
| United Overseas Bank Limited          | 55                |
| Unity Small Finance Bank Limited      | 3,767             |
| Utkarsh Small Finance Bank Limited    | 432               |
| Woori Bank                            | 8                 |
| Yes Bank Limited                      | 4,395             |

Source: RBI (provisional data for 31.3.2023)

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