

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO: 1295

TO BE ANSWERED ON THE 9TH FEBRUARY 2018/MAGHA 20, 1939 (SAKA)

QUESTION
WILFUL DEFAULTERS

1295: SHRI A.P. JITHENDER REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) the total number of loans and the total amount of loans written off since the start of fiscal year 2017-18;
- (b) the number of written off loans and the total amount of written off loans belonging to wilful defaulters;
- (c) whether the Government has any plans of making wilful default a criminal offence, if so, the details thereof and if not, the reasons therefor; and
- (d) whether the Government has any plans of constituting any Committee to act as oversight committee for Non-Performing Assets, if so, the details thereof and if not, the reasons therefor?

ANSWER

To be answered by

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHIV PRATAP SHUKLA)**

(a): As per data received from Public Sector Banks (PSBs), a total of 2,94,832 loan accounts with aggregate amount of Rs. 7,645 crore have been written-off in the financial year 2017-18, till September 2017.

(b): As per data received from PSBs, 38 loan accounts of wilful defaulters, amounting to Rs. 516.04 crore, have been written-off in the financial year 2017-18, till September 2017.

(c): Reserve Bank of India (RBI) Master Circular on wilful defaulters, dated 1.7.2015, addressed to banks, provides that legal process, wherever warranted, against the borrowers/ guarantors and foreclosure for recovery of dues should be initiated expeditiously and, further, that the lenders may initiate criminal proceedings against wilful defaulters, wherever necessary. Therefore, no proposal for making wilful default a criminal offence is presently under consideration.

(d): Arrangements for overseeing structuring/resolution of stressed assets, which include Non-Performing Assets, exist under the aegis of RBI. An Overseeing Committee (OC) was set up as part of Scheme for Sustainable Structuring of Stressed Assets (S4A) to review the processes involved in preparation of resolution plan for reasonableness and adherence to provisions of the guidelines of the S4A scheme. Banks, with the concurrence of OC, may also refer other cases of resolution of stressed assets to OC. OC is also mandated to review resolution of cases where the aggregate exposure of the banking sector to the borrowing entity is greater than Rs. 500 crore.
