

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA  
UNSTARRED QUESTION NO: 1788  
TO BE ANSWERED ON THE 27<sup>th</sup> JULY, 2018 / SHRAVANA 05, 1940 (SAKA)  
QUESTION  
LOANS OF WILFUL DEFAULTERS

1788: SHRI KESINENINANI:

Will the Minister of FINANCE be pleased to state:

- (a) the total quantum of outstanding loans against wilful defaulters during the last three years and the current year, Bank-wise;
- (b) whether there has been any growth in the number of wilful defaulters during the said period and if so, the details thereof;
- (c) the steps taken/being taken by the Government to reduce/correct the statistics;
- (d) whether the mechanism employed to recover the outstanding loans from wilful defaulters has been successful, if so, the details thereof; and
- (e) if not, whether a new mechanism for the recovery of outstanding loan is needed, if so, the details thereof?

ANSWER

To be answered by

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SHIV PRATAPSHUKLA)

(a) and (b): As per data reported by Public Sector Banks (PSBs), bank-wise details of total quantum of outstanding loans against wilful defaulters of PSBs, and the number of wilful defaulters of PSBs, at the end of each of the last three financial years and the first quarter of the current financial year, are at Annexure.

(c): A number of steps have been taken to reduce incidence of default on account of wilful defaulters. To deter wilful defaulters, as per RBI's instructions, they are not sanctioned any additional facilities by banks or financial institutions, their unit is debarred from floating new ventures for five years, and lenders may initiate criminal proceedings against them, wherever necessary. As per data reported by PSBs, as on 30.6.2018, 2,348 FIRs have been registered against wilful defaulters, 8,994 suits have been filed for recovery from them, and action has been initiated under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) in respect of 7,471 cases of wilful defaulters. Further, as per Securities and Exchange Board of India Regulations, wilful defaulters and companies with wilful defaulters as promoters/directors are debarred from accessing capital markets to raise funds. In addition, the Insolvency and Bankruptcy Code, 2016 (IBC) has been amended to debar wilful defaulters from participating in the insolvency resolution process.

For enabling a clean credit system in future and deterring economic offenders from evading the process of Indian law by remaining outside Indian jurisdiction, Government has introduced the Fugitive Economic Offenders Bill, 2018 to provide for attachment and confiscation of fugitive economic offender's property. Further, Government has advised PSBs to obtain certified copy of the passport of the promoters/directors and other authorised signatories of companies availing loan facilities of more than Rs. 50 crore.

(d) and (e): The mechanism for recovery for all defaulters covers action through, *inter-alia*, SARFAESI Act, Debts Recovery Tribunals, negotiated settlement, Lok Adalats and IBC.

As per data reported by PSBs, over the last three financial years, and the first quarter of the current financial year, an aggregate amount of Rs. 1,61,123 crore has been successfully recovered through the recovery mechanism.

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Annexure

Lok Sabha Unstarred question no: 1788, to be answered on 27.7.2018

Details of total quantum of outstanding loans against wilful defaulters of

## Public Sector Banks

Amounts in crore Rs.

Bank	As on 31.3.2016	As on 31.3.2017	As on 31.3.2018	As on 30.6.2018
Allahabad Bank	539	2,223	3,965	4,164
Andhra Bank	3,964	3,934	3,957	3,937
Bank of Baroda	1,662	4,883	6,253	7,931
Bank of India	4,426	2,634	7,463	9,425
Bank of Maharashtra	751	822	1,518	1,518
Canara Bank	3,630	3,659	4,759	4,629
Central Bank of India	4,409	4,921	6,197	6,197
Corporation Bank	2,343	2,227	2,453	2,717
Dena Bank	919	1,515	1,877	1,845
IDBI Bank Limited	3,064	3,131	4,828	5,372
Indian Bank	328	1,082	1,373	1,361
Indian Overseas Bank	3,473	3,473	4,485	5,395
Oriental Bank of Commerce	3,799	4,307	4,215	4,483
Punjab & Sind Bank	248	286	283	276
Punjab National Bank	11,486	12,278	15,190	15,355
Syndicate Bank	922	1,107	1,162	1,159
UCO Bank	4,251	5,715	5,722	5,988
Union Bank of India	3,446	3,784	5,103	5,167
United Bank of India	1,857	1,829	1,737	1,736
Vijaya Bank	958	3,464	5,041	5,249
State Bank of India	12,466	15,070	34,436	34,275
State Bank of Bikaner & Jaipur	2,100	2,260	Merged with SBI	
State Bank of Hyderabad	2,145	2,178		
State Bank of Mysore	1,079	1,388		
State Bank of Patiala	1,899	3,123		
State Bank of Travancore	566	1,086		

### Details of the number of wilful defaulters of Public Sector Banks

All Public Sector Banks	8,315	8,915	9,331	9,501
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*Source: Public Sector Banks*

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