

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA  
UNSTARRED QUESTION NO: 2882  
TO BE ANSWERED ON THE 3<sup>rd</sup> AUGUST 2018 / SHRAVANA 12, 1940 (SAKA)

QUESTION  
NPAs AND BAD LOANS

**2882: SHRIMATI V. SATHYABAMA:  
SHRIMATI VEENA DEVI:  
SHRI M. CHANDRAKASI:**

Will the Minister of FINANCE be pleased to state:

- a) the percentage of banks affected by Non-Performing Assets (NPAs) along with the number of private and Public Sector Banks (PSBs) having NPAs/bad loans as on date public sector and private sector banks, bank-wise;
- b) whether NPAs in these banks have increased sharply during the last three years, if so, the details thereof; and
- c) the amount of NPAs/bad loans targeted to be recovered by these banks in the year 2018-19 along with the action taken in this regard?

**ANSWER**

**To be answered by  
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SHIV PRATAP SHUKLA)**

(a) and (b): The gross advances of Scheduled Commercial Banks (SCBs) increased from Rs. 25,03,431 crore as on 31.3.2008 to Rs. 68,75,748 crore as on 31.3.2014, as per the global operations data of the Reserve Bank of India (RBI). As per RBI inputs, the primary reasons for spurt in stressed assets have been observed to be, *inter-alia*, due to aggressive lending practices, wilful default / loan frauds / corruption in some cases, and economic slowdown. Asset Quality Review (AQR) carried out in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of Non-Performing Assets (NPAs). Expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were reclassified as NPAs and provided for expected losses. During financial year (FY) 2017-18, all such schemes for restructuring stressed loans were withdrawn. The aggregate gross NPAs of SCBs increased primarily as a result of this transparent recognition of stressed assets as NPAs, from Rs. 3,23,464 crore, as on 31.3.2015, to Rs. 10,35,528 crore, as on 31.3.2018 (provisional data), as per RBI data on global operations. Bank-wise details of gross NPAs of global operations of all public sector and private sector banks, as on 31.3.2018 (provisional data), furnished by RBI, are at Annexure.

(c): With regard to the amount of NPA/ bad loans targeted to be recovered by banks in the year 2018-19, RBI has informed that it does not have the required information.

As regards action taken with regard to recovery of NPAs, a number of measures have been taken to expedite and enable resolution of NPAs of Public Sector Banks (PSBs). The Insolvency and Bankruptcy Code, 2016 (IBC) has been enacted to create a unified framework for resolving insolvency and bankruptcy matters. Under this, by adopting a creditor-in-saddle approach, with the interim resolution professional taking over management of affairs of corporatedebtor at the outset, the incentive to resort to abuse of the legal system has been taken away. This, coupled with debarment of wilful defaulters and persons associated with NPA accounts from the resolution process, has effected a fundamental change in the creditor-debtor relationship. The Banking Regulation Act, 1949 has been amended to provide for authorisation to RBI to issue directions to banks to initiate the insolvency resolution process under IBC. As per RBI's directions, cases have been filed under IBC before the National Company Law Tribunal in respect of 39 large defaulters, amounting to about Rs. 2.69 lakh crore funded exposure (as of December 2017).

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been amended to make it more effective with provision for three months imprisonment in case the borrower does not provide asset details and for the lender to get possession of mortgaged property within 30 days. Also, six new Debts Recovery Tribunals have been established to expedite recovery.

In addition, under the PSBs Reforms Agenda, PSBs have created Stressed Asset Management verticals for stringent recovery, segregated pre- and post-sanction follow-up roles for clean and effective monitoring, initiated creation of online one-time settlement platforms and committed to monitoring large-value accounts by tying up with Agencies for Specialised Monitoring for loans of Rs. 250 crore and above.

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Annexure

Lok Sabha Unstarred Question no. 2882, for 3.8.2018

Details of gross NPAs of global operations of Scheduled Commercial Banks,  
as on 31.3.2018

Amounts in crore Rupees

Bank	Gross	Bank	Gross
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	<b>NPA's</b>
Allahabad Bank	26,563
Andhra Bank	28,124
Axis Bank Limited	30,876
Bandhan Bank Limited	373
Bank of Baroda	56,480
Bank of India	62,328
Bank of Maharashtra	18,433
Canara Bank	47,468
Catholic Syrian Bank Ltd.	764
Central Bank of India	38,131
City Union Bank Limited	857
Corporation Bank	22,213
DCB Bank Limited	369
Dena Bank	16,361
Federal Bank Ltd.	2,796
HDFC Bank Ltd.	8,507
ICICI Bank Limited	53,240
IDBI Bank Limited	55,588
IDFC Bank Limited	1,779
Indian Bank	11,990
Indian Overseas	38,180

	<b>NPA's</b>
Nainital Bank Ltd.	167
Oriental Bank of Commerce	26,134
Punjab and Sind Bank	7,802
Punjab National Bank	86,620
RBL Bank Limited	567
South Indian Bank Ltd.	1,980
State Bank of India	2,23,427
Syndicate Bank	25,759
Tamilnad Mercantile Bank Ltd.	868
The Dhanalakshmi Bank Ltd.	469
UCO Bank	30,550
Union Bank of India	49,370
United Bank of India	16,552
Vijaya Bank	7,526
Yes Bank Ltd.	2,627

Bank	
IndusInd Bank Ltd.	1,705
Jammu & Kashmir Bank Ltd.	6,007
Karnataka Bank Ltd.	2,376
Karur Vysya Bank Ltd.	3,016
Kotak Mahindra Bank Ltd.	3,825
Lakshmi Vilas Bank Ltd.	2,694

*Source: RBI, global operations (Mar-2018 provisional data)*

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