

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO: 540

TO BE ANSWERED ON THE 20th JULY, 2018 / ASHADHA 29, 1940 (SAKA)

QUESTION
LOAN DEFAULTERS

540: SHRIRAHULKASWAN:

Will the Minister of FINANCE be pleased to state:

- a) the total quantum of loan availed by top ten debtors in the country;
- b) whether the number of debt defaulters reported a sharp rise in the country during the last three years, if so, the details thereof;
- c) whether any survey has been conducted in this regard and if so, the details thereof;
- d) whether around 40 per cent of the total debtors are willful defaulter, if so, the details thereof; and
- e) the action plan prepared or action taken by the Government to recover the loan amount from top 100 debtors in the country?

ANSWER

To be answered by
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAPSHUKLA)

(a) to (c): As per data reported by Scheduled Commercial Banks (SCBs) to Reserve Bank of India (RBI), as on 31.3.2018, the total funded amount outstanding for loan availed by the top ten borrowers in the country with exposure of Rs. 5 crore and above was Rs. 3,46,718 crore.

As per RBI data, the total number of debt defaulters with exposure of Rs. 5 crore and above for SCBs during the financial years 2015-16, 2016-17 and 2017-18 were 7,362, 7,557 and 7,907 respectively.

(d): As per RBI data on global operations, as on 31.3.2018, gross NPAs of Public Sector Banks (PSBs) was Rs. 8,95,601 crore. As per data reported by PSBs, as on 31.3.2018, the total number of wilful defaulters was 9,331, amounting to Rs. 1,22,018 crore, which is 13.62% of gross Non-Performing Assets (GNPA). The bank-wise amount of GNPA for the last 3 financial years and details of wilful defaulter as on 31.3.2018 are at Annexure.

(e): To reduce/contain NPAs of banks, the Insolvency and Bankruptcy Code, 2016 has been enacted for time-bound resolution of stressed assets. Further, the Banking Regulation Act, 1949 has been amended to provide for authorisation by the Government to RBI, for issuing directions to banks to initiate the insolvency resolution process under the Code. Under the provisions of this amending legislation, RBI has issued directions to certain banks for referring 12 accounts, with outstanding amounts greater than Rs. 5,000 crore and with 60% or more classified as non-performing as of 31.3.2016, to initiate insolvency resolution process under the Code. In accordance with these directions, banks have filed applications in respect of these accounts before the National Company Law Tribunal. Further, keeping in view the enactment of the Code, RBI has issued a revised framework for resolution of stressed assets, which provides for time-bound resolution of high-value stressed accounts. The SARFAESI Act has been amended to make it more effective. Further, six new Debts Recovery Tribunals have been established to expedite recovery. In addition, under the PSB Reforms Agenda, PSBs have committed, *inter-alia*, to create Stressed Asset Management verticals for stringent recovery and ensure clean and effective post-sanction follow-up for large credit exposures through specialised monitoring agencies.

To reduce incidence of default on account of and effect recovery from wilful defaulters, as per RBI's instructions, wilful defaulters 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. Securities and Exchange Board of India Regulations have been amended to debar wilful defaulters and companies with wilful defaulters as promoters/directors from accessing capital markets to raise funds. Further, the Insolvency and Bankruptcy Code has been amended to debar wilful defaulters from participating in the insolvency resolution process.

Lok Sabha Unstarred question no: 540, to be answered on 20.7.2018

GNPAs and Number of wilful defaulters

Amounts crore

Rs.

Bank	GNPAs			Wilful defaulters as on 31.3.2018	
	As on 31.3.2016	As on 31.3.2017	As on 31.3.2018	No.	Amount
Allahabad Bank	15,385	20,688	26,563	250	3,965
Andhra Bank	11,444	17,670	28,124	394	3,957
Bank of Baroda	40,521	42,719	56,480	303	6,253
Bank of India	49,879	52,045	62,328	422	7,463
Bank of Maharashtra	10,386	17,189	18,433	212	1,518
Canara Bank	31,638	34,202	47,468	491	4,759
Central Bank of India	22,721	27,251	38,131	787	6,197
Corporation Bank	14,544	17,045	22,213	122	2,453
Dena Bank	8,560	12,619	16,361	228	1,877
IDBI Bank Limited	24,875	44,753	55,588	116	4,828
Indian Bank	8,827	9,865	11,990	67	1,373
Indian Overseas Bank	30,049	35,098	38,180	527	4,485
Oriental Bank of Commerce	14,702	22,859	26,134	424	4,215
Punjab & Sind Bank	4,229	6,298	7,802	27	283
Punjab National Bank	55,818	55,370	86,620	1,090	15,190
Syndicate Bank	13,832	17,609	25,759	203	1,162
State Bank of India	98,185	1,12,343	2,23,427	1,680	34,436
UCO Bank	20,908	22,541	30,550	656	5,722
Union Bank of India	24,171	33,712	49,370	803	5,103
United Bank of India	9,471	10,952	16,552	387	1,737
Vijaya Bank	6,027	6,382	7,526	142	5,041
Total	5,39,968	6,84,732	8,95,601	9,331	1,22,018

Sources: (1) RBI — for GNPAs

(2) Banks — for wilful defaulters
