

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO: 1934

TO BE ANSWERED ON THE 21st DECEMBER, 2018/AGRAHAYANA 30, 1940 (SAKA)

QUESTION
WILFUL DEFAULTERS

1934: SHRI KESINENI NANI:

Will the Minister of FINANCE be pleased to state:

- the recorded cases of wilful defaulters in the past three years in various Public Sector Banks;
- whether the Government is planning any structural changes to the system of corporate governance to change the current *status quo* and 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
(SHRI SHIV PRATAP SHUKLA)

(a) to (c): Reserve Bank of India (RBI) has apprised that the list of suit-filed wilful defaulters of Rs. 25 lakh and above are available in public domain on the websites of Credit Information Companies (CICs), and that cases of suit-filed wilful defaulters during the past three years, reported by Public Sector Banks (PSBs) and appearing on the website of Transunion CIBIL, which is one of the CICs granted certification of registration by RBI, are as under:

As on	Number of borrowers
31.3.2016	6,452
31.3.2017	7,181
31.3.2018	8,555

Government has effected several structural changes to the system of Corporate governance in PSBs, including, *inter-alia*, the following:

- Banks Board Bureau (BBB) has been set up for top-level appointments in PSBs at arms length through a dedicated body with diverse relevant expertise.
- The position of Chairman and Managing Director in nationalised banks has been bifurcated into that of a Non-Executive Chairman and a Managing Director and Chief Executive Officer, thereby strengthening oversight of management by the Board.
- Directors other than Whole Time Directors and RBI nominee Directors on the bank's Management Committee or its Credit Approval Committee, both of which take decisions relating to credit, shall not be on the bank's Audit Committee in any capacity.
