

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
LOK SABHA
UNSTARRED QUESTION NO-45
ANSWERED ON- 18/07/2022

NPAs of PSBs

45. SHRI GIRISH BHALCHANDRA BAPAT
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Will the Minister of FINANCE be pleased to state:-

- (a) the details of the total Gross Non-Performing Assets (NPAs) of Public Sector Banks (PSBs) and Scheduled Commercial Banks as on March 31, 2022 as compared to corresponding period of previous year, bank-wise;
- (b) the details of amount of NPAs recovered, amount of NPAs written off and new accretion to NPAs in the financial year 2021-22;
- (c) whether the Government has made any study to find out the reasons and factors responsible for defaulter for not repaying their loans;
- (d) if so, the details thereof;
- (e) whether the Government and RBI have issued any guidelines to check the cases of NPAs of PSBs and Scheduled Commercial Banks in the country; and
- (f) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) and (b): Bank-wise details of gross NPAs, amount of NPAs recovered, amount of NPAs written off and new accretion to NPAs of Public Sector Banks and Scheduled Commercial Banks during the financial years (FY) 2020-21 and FY 2021-22 (provisional data) are at Annex.

(c) to (f): The occurrence of non-performing assets (NPAs) is a normal, although undesirable corollary to the business of banking. Build-up of NPAs may generally be attributed to several factors, including, *inter alia*, prevailing macroeconomic conditions, sectoral issues, global business environment, delayed recognition of stress by the banks, aggressive lending during upturns, improper risk pricing and

poor credit underwriting, lack of specialised skills in project appraisals, flawed governance structures, time and cost overruns in project implementation and lack of suitable legal mechanisms for resolution of NPAs.

Government and RBI regularly issue guidelines and have taken several initiatives aimed at resolution of long-standing stressed assets on the books of banks as well as timely identification and recognition of stress immediately upon default and take corrective actions for mitigation of the same. These measures complement the statutory provisions already available to lenders for recovery and resolution, including, *inter alia*, Recovery of Debts and Bankruptcy Act, 1993, Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Insolvency & Bankruptcy Code, 2016 (IBC).

As a result of comprehensive steps taken by the Government and RBI to check the cases of NPAs and bring them down, Scheduled Commercial Banks recovered Rs. 8,60,369 crore over the last eight financial years (provisional data) from NPAs.

The steps taken include, *inter alia*, the following –

- (1) Change in credit culture has been effected, with the Insolvency and Bankruptcy Code (IBC) fundamentally changing the creditor-borrower relationship, taking away control of the defaulting company from promoters/owners, and debarring wilful defaulters from the resolution process. To make the process more stringent, personal guarantor to corporate debtor has also been brought under the ambit of IBC. Under IBC, resolution plans have been approved in 480 cases up to March 2022, with Rs. 2.34 lakh crore amount realisable by financial creditors.
- (2) Central Repository of Information on Large Credits (CRILC) has been set up by RBI to collect, store and disseminate credit data to lenders, and banks are required to submit report on weekly basis to CRILC, in case of any default by borrowing entities with exposure of Rs. 5 crore and above.
- (3) Guidelines have been issued in respect to prudential framework for resolution of stressed assets which provides for early recognition and resolution of default by large borrowers within a time bound manner and dis-incentivise delayed resolution in the form of additional provisioning to be maintained by the lenders.
- (4) Under the PSB Reforms Agenda, comprehensive and automated Early Warning Systems (EWS) were instituted in PSBs, with ~80 EWS triggers and use of third-party data for time-bound remedial actions in the borrowing accounts. further, PSBs have created Stressed Asset Management Verticals for stringent recovery, segregated pre- and post-sanction follow-up roles for clean and effective monitoring, and engaging specialised monitoring agencies for monitoring of large-value accounts.

In addition to this, steps were also taken to deter defaulters, including, *inter alia*, the following –

- (1) 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.

- (2) As per RBI instructions, wilful defaulters are not sanctioned any additional facilities by banks or financial institutions, and their unit is debarred from floating new ventures for five years.
- (3) Wilful defaulters and companies with wilful defaulters as promoters/directors have been debarred from accessing capital markets to raise funds, *vide* Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2016.
- (4) Jurisdiction of Debt Recovery Tribunal (DRTs) was increased from Rs. 10 lakh to Rs. 20 lakh to enable the DRTs to focus on high value cases resulting in higher recovery for the banks and financial institutions. Six new DRTs have also been established to expedite recovery.
- (5) All Credit Institutions have been mandated by RBI to become members of all credit information companies (CICs) and submit credit information, including historical data, pertaining to borrowers to CICs, and the data to be updated regularly and to be shared with other credit institutions.

**Annex referred to in
Lok Sabha Unstarred question no. 45, regarding NPAs of PSBs**

Details of Non-performing Assets of Scheduled Commercial Banks

amount in crore Rs.

Bank	Gross NPAs		Amount Recovered		Amount written-off		New Accretion to NPAs	
	As on 31.3.2021	As on 31.3.2022*	FY 2020-21	FY 2021-22*	FY 2020-21	FY 2021-22*	FY 2020-21	FY 2021-22*
American Express Banking Corp.	253	227	105	476	127	215	370	286
Au Small Finance Bank Limited	1,503	924	30	110	115	188	1,273	1,431
Australia and New Zealand Banking Group Limited	25	25	-	-	-	-	-	-
Axis Bank Limited	22,682	18,566	2,938	2,948	12,018	9,126	16,211	18,576
Bandhan Bank Limited	5,758	6,380	12	555	2,038	3,247	6,888	9,430
Bank of Bahrain & Kuwait B.S.C.	14	17	6	5	61	9	3	17
Bank of Baroda	66,671	54,059	5,372	6,054	14,782	17,967	17,952	11,046
Bank of Ceylon	33	54	1	3	1	0	15	23
Bank of India	56,535	45,605	4,155	6,761	8,815	10,443	8,815	8,919
Bank of Maharashtra	7,780	5,327	1,458	1,174	4,931	3,118	2,202	2,182
Bank of Nova Scotia	64	64	5	-	-	-	-	0
Barclays Bank PLC	268	111	41	-	73	163	51	57
BNP Paribas	7	6	-	-	-	1	-	-
Canara Bank	60,288	54,436	7,286	8,577	7,642	8,210	16,482	17,954
Capital Small Finance Bank Limited	78	117	2	6	0	0	25	78
Central Bank of India	29,277	28,156	2,675	3,110	5,992	1,236	6,458	5,797
Citibank N.A.	991	758	296	391	370	576	853	952
City Union Bank Limited	1,893	1,933	195	442	412	629	1,113	1,276
Cooperatieve Rabobank U.A.	372	150	-	-	-	175	202	-
Credit Agricole Corporate and Investment Bank	3	3	-	-	-	-	-	-
CSB Bank Limited	393	290	65	527	138	110	201	757
CTBC Bank Co., Ltd.	2	1	1	0	-	-	-	-
DBS Bank India Ltd.	488	4,557	16	771	139	438	145	611
Lakshmi Vilas Bank Ltd (LVB)#	4,845	-	132	-	108	-	1,045	-

Bank	Gross NPAs		Amount Recovered		Amount written-off		New Accretion to NPAs	
	As on 31.3.2021	As on 31.3.2022*	FY 2020-21	FY 2021-22*	FY 2020-21	FY 2021-22*	FY 2020-21	FY 2021-22*
DCB Bank Limited	1,083	1,290	75	531	126	88	686	1,772
Deutsche Bank Ag	1,457	2,732	177	290	485	213	709	2,086
Doha Bank Q.P.S.C	27	27	-	-	-	-	18	-
Equitas Small Finance Bank Limited	643	837	81	312	245	360	589	1,389
ESAF Small Finance Bank Limited	564	950	4	44	-	74	473	1,085
Federal Bank Ltd	4,602	4,137	367	824	398	929	1,922	1,869
Fincare Small Finance Bank Limited	354	573	1	82	28	370	351	1,098
Firststrand Bank Ltd	28	-	-	-	-	-	-	-
HDFC Bank Ltd.	14,999	16,101	2,708	6,844	9,289	9,405	12,220	25,999
Hongkong and Shanghai Banking Corpn. Ltd.	913	644	41	73	185	234	570	408
ICICI Bank Limited	40,841	33,295	4,704	6,223	9,507	10,148	15,846	19,036
IDBI Bank Limited	36,212	34,115	4,518	2,779	8,392	2,889	2,632	5,866
IDFC First Bank Limited	4,303	4,469	407	1,258	1,433	4,202	4,035	7,552
Indian Bank	38,455	35,214	3,856	3,475	8,371	8,347	9,394	10,136
Indian Overseas Bank	16,323	15,299	1,635	1,378	4,618	3,769	3,678	4,817
Indusind Bank Ltd	5,795	5,517	1,558	3,403	4,055	4,385	7,664	10,103
Industrial and Commercial Bank of China	-	-	-	-	35	-	-	-
Jammu & Kashmir Bank Ltd	6,955	6,521	403	602	1,185	758	1,261	2,918
Jana Small Finance Bank Limited	858	757	17	572	233	585	828	1,304
Karnataka Bank Ltd	2,588	2,251	438	485	1,060	585	1,346	1,553
Karur Vysya Bank Ltd	4,143	3,431	377	574	619	879	959	843
KEB Hana Bank	40	40	1	-	12	-	-	-
Kotak Mahindra Bank Ltd.	7,426	6,470	1,155	2,074	628	1,230	5,488	4,316
Mizuho Bank Ltd	6	6	-	-	-	-	-	-
Nainital Bank Ltd	651	521	51	115	1	119	173	125
North East Small Finance Bank Limited	192	190	3	18	-	81	170	97
PT Bank Maybank Indonesia TBK	18	-	-	-	-	18	-	-
Punjab and Sind Bank	9,334	8,565	879	1,011	71	1,134	1,557	2,065
Punjab National Bank	1,04,423	92,448	11,442	15,788	15,877	18,312	28,940	27,378

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	As on 31.3.2021	As on 31.3.2022*	FY 2020-21	FY 2021-22*	FY 2020-21	FY 2021-22*	FY 2020-21	FY 2021-22*
Qatar National Bank (Q.P.S.C.)	50	53	-	-	-	-	50	3
RBL Bank Limited	2,602	2,728	675	899	1,675	2,294	3,148	3,943
Sberbank	92	41	0	0	-	50	-	-
SBM Bank (India) Ltd.	88	93	16	5	12	19	1	29
Shinhan Bank	128	154	1	16	-	-	29	41
Shivalik Small Finance Bank Limited	-	33	-	2	-	-	-	8
Societe Generale	79	79	-	-	-	-	-	-
Sonali Bank	4	4	0	-	-	-	-	-
South Indian Bank Ltd	4,143	3,648	179	1,152	1,135	700	2,340	2,159
Standard Chartered Bank	4,674	3,886	446	650	1,697	1,325	4,513	2,319
State Bank of India	1,26,389	1,12,023	13,381	10,343	34,402	19,666	28,563	25,021
Suryoday Small Finance Bank Limited	394	598	4	59	97	231	399	533
Tamilnad Mercantile Bank Ltd	1,085	571	118	355	393	321	587	518
The Dhanalakshmi Bank Ltd	657	534	97	165	14	83	391	364
UCO Bank	11,352	10,237	1,168	1,299	9,410	3,851	3,102	6,123
Ujjivan Small Finance Bank Limited	1,071	1,284	15	520	74	789	1,033	2,088
Union Bank of India	89,788	79,587	5,190	5,852	16,983	19,484	17,443	22,877
United Overseas Bank Ltd	75	75	-	-	-	-	-	-
Utkarsh Small Finance Bank Limited	315	648	1	50	35	219	310	654
Yes Bank Ltd.	28,610	27,976	3,288	1,868	12,240	971	12,037	5,795

Source: RBI

*provisional data

#LVB was amalgamated with DBS Bank India Ltd. on 27.11.2020. However, LVB data was reported as a separate entity till March 2021.
