

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO- 2503

ANSWERED ON MONDAY, DECEMBER 15, 2025/ AGRAHAYANA 24, 1947 (SAKA)

NPA's of Banks

2503. COM. SELVARAJ V:

Will the Minister of FINANCE be pleased to state:-

(a) whether it is a fact that the gross Non-Performing Assets (NPAs) of the banking system fell to 2.3 per cent in March 2025 down from 2.6 per cent in September, 2024 driven largely by loan write off which rose to 31.8 per cent of NPAs in FY 2025; and

(b) if so, the total amount of NPAs in March, 2025 and the amount written off in the year 2024-25?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): As per the Reserve Bank of India (RBI) data, the gross NPA ratio of Scheduled Commercial Banks (SCBs) have declined from 2.5% as on 30.9.2024 to 2.2% as on 31.3.2025.

Reduction in NPAs takes place through recovery, upgradation and write-off. Banks write-off NPAs, including, *inter-alia*, those in respect of which full provisioning has been made on completion of four years, as per RBI guidelines and policy approved by banks' Boards. Such write-off does not result in waiver of liabilities of borrowers and therefore, it does not benefit the borrower. The borrowers continue to be liable for repayment and banks continue to pursue recovery actions initiated in these accounts. Further, recovery in written-off loans is an ongoing process and banks continue pursuing their recovery actions initiated against borrowers under the various recovery mechanism available to them. SCBs have recovered an aggregate amount of Rs. 1,68,306 crore in written-off NPAs during the last three financial years (FYs) and the current FY till 30.9.2025. Further, the Recovery Rate in written-off loans in SCBs (*i.e.* recovery in written-off loans during the FY as a percentage of written-off loans during the FY) has improved from 7.97% in FY2017-18 to 27.04% in FY2023-24, and further to 34.77% in FY2024-25.

(b): The gross NPAs of SCBs were Rs. 4,31,607 crore as on 31.3.2025 while an amount of Rs. 1,57,029 crore was written-off by them during the FY 2024-25.
