GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**
**UNSTARRED QUESTION NO- 120**

ANSWERED ON MONDAY, 20 JULY, 2026/ASHADHA 29, 1948 (SAKA)

**Waiver of loans**

†120. SHRI HANUMAN BENIWAL:

Will the Minister of FINANCE be pleased to state:-

(a) whether it is a fact that corporate loans have been written-off by various Public Sector Banks (PSBs) during the last fifteen years;
(b) if so, the details of corporate loans written-off by Public Sector Banks along with the names of the corporate borrowers, year-wise;
(c) the total amount recovered so far out of the said written-off amount and the amount still outstanding along with details thereof including the names of the respective companies;
(d) the number of loan accounts with an amount of Rs. 100 crore or more among the written-off loans, along with the details of the total write-off and recovery related to them; and
(e) the steps taken by the Government to ensure effective and time-bound recovery of written-off loans from large corporate borrowers?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d): The Reserve Bank of India (RBI) has apprised that information regarding loans written-off by PSBs in respect of category 'corporate loans' is not collected in offsite returns by RBI. However, the information on write-offs in category 'Large – Industries & Services' is collected by RBI. Therefore, the details of loans written-off and actual recoveries made by PSBs in the said category, for domestic operations, during the financial years (FYs) from 2014-15 to FY2025-26, are as under.

(Amounts in crore Rs., Rate in %)

| **FY** | **Category 'Large – Industry & Services'** | |
|---|---|---|
| | **Loans written-off** | **Actual Recoveries** |
| 2014-15 | 26,602 | 20,028 |
| 2015-16 | 32,595 | 17,500 |
| 2016-17 | 48,179 | 25,798 |
| 2017-18 | 80,075 | 24,091 |
| 2018-19 | 1,20,735 | 61,369 |
| 2019-20 | 1,33,179 | 50,156 |
| 2020-21 | 90,641 | 31,268 |
| 2021-22 | 57,541 | 28,245 |
| 2022-23 | 72,108 | 27,030 |
| 2023-24 | 58,359 | 12,782 |
| 2024-25 | 39,675 | 7,239 |
| 2025-26* | 15,213 | 4,456 |

*Source: RBI (*provisional data for FY 2025-26)*

As per RBI - Resolution of Stressed Assets Directions 2025, issued for commercial banks, write-off (a major portion of which is due to technical/prudential/advances under collection) is an accounting procedure undertaken by a bank to cleanse the balance sheets of bad debts which are either considered unrecoverable or whose recovery is likely to consume disproportionate resources of the lenders. 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. The amount recovered from written-off loans during a particular FY may pertain to the loans written-off during that particular FY or previous FYs.

Scheduled Commercial Banks (excluding Regional Rural Banks and Payment Banks) and All India Financial Institutions report certain credit information of all borrowers having aggregate fund-based and non-fund-based exposure of Rs. 5 crore and above to RBI under the Central Repository of Information on Large Credits (CRILC) database.

Borrower-wise credit information in CRILC is collected under Section 45C of the RBI Act, 1934. However, the borrower-wise information cannot be disclosed under provisions of section 45E of the RBI Act, 1934. Section 45E provides that credit information submitted by a bank shall be treated as confidential and not to be published or otherwise disclosed.

As per CRILC data, the count of borrowers having total written-off amount of Rs. 100 crore and above as reported by PSBs, pertaining to all types of borrowers, as on 31.3.2026, are as under.

(Amount in crore Rs., Number in actual)

| Total number of borrowers | Total written-off amount |
|---|---|
| 1,249 | 4,19,380 |

*Source: RBI*

(e): Comprehensive steps have been taken by the Government and RBI to ensure effective and time-bound recovery, including recovery of written-off loans from large corporate borrowers. The steps taken include, *inter alia*, the following:

(i) Moving from the **'Debtor in Possession'** to a **'Creditor in Control'** regime change in credit culture has been effected, with the Insolvency and Bankruptcy Code, 2016 (IBC) fundamentally changing the creditor-borrower relationship. The IBC code has been amended in 2026 to enhance the effectiveness of the insolvency framework by addressing the delays in admission, resolution and liquidation, maximization in value for creditors and improving efficiency and transparency in resolution process. Further, the recent reforms such as Group Insolvency, Cross Border Insolvency and Creditor-Initiated Insolvency Resolution Process have been introduced in the IBC (Amendment) Act, 2026 to address the challenges related to delays, low recoveries and prolonged litigations.

(ii) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and the Recovery of Debt and Bankruptcy Act have been amended to make it more effective. Key amendments in SARFAESI, *inter alia,* Empowered RBI to audit and inspect Asset Reconstruction Companies (ARCs) and to impose penalties for non-compliance; mandated registration of all security interests with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI); created additional DRTs to speed up case disposal; enabled non-institutional investors to invest in Security Receipts.

(iii) PSBs have set-up specialized stressed assets management verticals and branches for effective monitoring and focused follow-up of non-performing asset (NPA) accounts, which facilitates quicker and improved resolution/ recoveries. Deployment of Business correspondents and adoption of Feet-on-street model have also boosted the recovery trajectory of NPAs in banks.

(iv) Prudential Framework for resolution of stressed assets was issued by RBI (last updated on 1.7.2026) to provide a framework for early recognition, reporting and time bound resolution of stressed assets, with a build-in incentive to lenders for early adoption of a resolution plan.

(v) Pecuniary jurisdiction of DRTs was increased from Rs. 10 lakhs to Rs. 20 lakhs to enable the DRTs to focus on high value cases resulting in higher recovery for the banks and financial institutions.

(vi) Under the PSB Reforms Agenda, comprehensive and automated Early Warning Systems (EWS) were instituted in PSBs, with approximately 80 EWS triggers and use of third-party data for time-bound remedial actions in the borrowing accounts to proactively detect stress and in turn reducing slippage into NPAs.

(vii) Government and RBI have been working in coordination to strengthen the various recovery mechanisms available. These include filing of suits in civil courts or in Debts Recovery Tribunals, action under SARFAESI Act, filing of cases in the National Company Law Tribunal under the IBC, through negotiated settlements/compromise, and through sale of NPAs.

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