

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
STARRED QUESTION NO: †*76

TO BE ANSWERED ON THE 14th DECEMBER, 2018/AGRAHAYANÆ3, 1940 (SAKA)

QUESTION
NON-PERFORMING ASSETS

†*76: DR. BHARATIBEND D. SHYAL:
SHRIRAMESH CHANDER KAUSHIK:

Will the Minister of FINANCE be pleased to state:

- (a) the number and details of corporate houses and farmers against whom loan is outstanding under Non-Performing Asset (NPA's) including those whose dues under NPAs are over Rupees one thousand crores; and
- (b) the number and details of corporate houses and farmers out of the above against whom action is being taken?

ANSWER
FINANCE MINISTER
(SHRI ARUNJAITLEY)

(a) and (b): A statement is laid on the Table of the House.

STATEMENT AS REFERRED TO IN REPLY TO PARAS(A) AND(B) OF LOK SABHA STARRED QUESTION NO. *76 FOR ANSWER ON 14th DECEMBER, 2018/ AGRAHAYANA23, 1940 (SAKA) BY DR. BHARATIBEN D. SHYAL AND SHRI RAMESHCHANDERKAUSHIKREGARDINGNON-PERFORMINGASSETS

(a) and (b): Reserve Bank of India (RBI) has informed that it does not have the required information regarding the number and details of corporate houses and farmers against whom loan is outstanding under NPAs, and also the number and details against which action is being taken.

RBI has further informed that as per data on borrower groups excluding individuals/Government PSUs submitted by Scheduled Commercial Banks (SCBs), as on 30.9.2018, there were 568 borrowers who had NPAs with SCBs, excluding individuals/Government-PSUs involving an amount of Rs. 6,28,560 crore, of which 95 were borrowers with aggregate gross NPAs of more than Rs. 1,000 crore, involving funded outstanding amount of Rs. 5,57,110 crore. RBI has also apprised that gross NPAs in Agriculture and Allied Activities were Rs. 1,01,508 crore as on 30.9.2018.

A number of measures have been taken to expedite and enable resolution of NPAs of PSBs over the last four years. The Insolvency and Bankruptcy Code, 2016 (IBC) has been enacted to create a unified framework for resolving insolvency and bankruptcy matters. Under this, by adopting a creditor-in-saddle approach, with the interim resolution professional taking over management of affairs of corporate debtor at the outset, the incentive to resort to abuse of the legal system has been taken away. This, coupled with debarment of wilful defaulters and persons associated with NPA accounts from the resolution process, has effected a fundamental change in the creditor-debtor relationship. The Banking Regulation Act, 1949 has been amended, to provide for authorisation to RBI to issue directions to banks to initiate the insolvency resolution process under IBC. As per RBI's directions, cases have been filed under IBC before the National Company Law Tribunal (NCLT) in respect of 41 borrowers, 12 of which had cumulative outstanding amount of Rs. 1,97,769 crore as on 31.3.2017 and the remaining 29 had outstanding amount of Rs. 1,35,846 crore as on 30.6.2017.

SARFAESI Act 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. Also, six new Debts Recovery Tribunals have been established to expedite recovery.

In addition, under the PSBs Reforms Agenda, PSBs have created Stressed Asset Management verticals for stringent recovery, segregated pre- and post-sanction follow-up roles for clean and effective monitoring, initiated creation of online one-time settlement platforms and committed to monitoring large-value accounts through specialised monitoring agencies.

Enabled by these measures, as per RBI data on global operations (with provisional data for September 2018), during the last three and a half financial years, NPAs of SCBs reduced by Rs. 2,83,770 crore due to recoveries.
