

Bad assets of banks

1269. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the net bad assets of the 40 listed banks have jumped 38 per cent to Rs.1,28,533 crore during the first half of current financial year from Rs.93,109 crore at the end of the last fiscal;

(b) if so, the details thereof, bank-wise; and

(c) the names of top 30 defaulters and what action has been taken to recover the loans from these defaulters?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) As per the data made available by the Reserve Bank of India (RBI), the Net NPAs of 40 listed banks have increased by 44.67 per cent *i.e.* from Rs. 82,783 crore as at the end March 2013 to Rs. 1,19,759 crore as at end September 2013. Bank-wise details are given in Statement (*See below*).

(c) As per the data made available by RBI, Scheduled Commercial Banks have a total of Rs. 91,667 crore as Gross NPAs under top 30 defaulters.

RBI collates information from banks and Financial Institutions (FIs) about the list of non-suit filed 'doubtful' and 'loss' borrowal accounts of Rs. 1 crore and above on half-yearly basis (*i.e.* as on March 31 and September 30) and non-suit filed accounts of wilful defaults of Rs.25 lakh and above on quarterly basis and disseminates to banks and FIs for their confidential use. Section 45 E of the Reserve Bank of India Act, 1934 prohibits the Reserve Bank from disclosing 'credit information' except in the manner provided therein.

However, similar information in respect of suit-filed cases is available with the Credit Information Companies, including CIBIL, for use by banks and FIs. The same is also available on the websites of CICs.

To improve the health of the financial sector, to reduce the NPAs, to improve asset quality of banks, and to prevent slippages, RBI has issued instructions which stipulate that each bank is required to have a robust mechanism for early detection of signs of distress including prompt restructuring in the case of all viable accounts; to have a loan recovery policy which sets down the manner of recovery of dues, targeted level of reduction (period-wise), norms for permitted sacrifice/waiver, factors

to be taken into account before considering waivers, decision levels, and reporting to higher authorities; monitoring of write-off/waiver cases; valuation of properties including collaterals accepted for their exposures; and taking recourse to legal mechanisms like SARFAESI Act, 2002, DRTs and Lok Adalats.

Parliament has recently enacted 'The Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012' for removing certain bottlenecks in the recovery of bad debts. The Amendment Act has come into force from 15.01.2013.

Statement

*Data on Gross and Net NPAs of Listed Banks**

Sl. No.	Bank Name	March, 2013	Sept., 2013
1	2	3	4
1	Allahabad Bank	3625	4584
2	Andhra Bank	2409	3477
3	Axis Bank Ltd.	514	818
4	Bank of Baroda	3108	5018
5	Bank of India	5264	5728
6	Bank of Maharashtra	393	1272
7	Canara Bank	4979	6347
8	Central Bank of India	4988	6512
9	City Union Bank Ltd.	96	131
10	Corporation Bank	1411	2668
11	Dena Bank	930	1089
12	Development Credit Bank Ltd.	49	57
13	Dhanlaxmi Bank Limited	261	291
14	Federal Bank Ltd.	428	411
15	HDFC Bank Ltd.	464	761
16	ICICI Bank Ltd.	1860	2137
17	IDBI Bank Limited	3100	4865

1	2	3	4
18	ING Vysya Bank Ltd.	2	62
19	Indian Bank	2148	2524
20	Indian Overseas Bank	3450	4241
21	IndusInd Bank Ltd.	137	136
22	Jammu and Kashmir Bank Ltd.	-9	2
23	Karnataka Bank Ltd.	388	603
24	Karur Vysya Bank Ltd.	60	161
25	Kotak Mahindra Bank Ltd.	311	487
26	Lakshmi Vilas Bank Ltd.	295	460
27	Oriental Bank of Commerce	2454	2925
28	Punjab & Sind Bank	1110	1572
29	Punjab National Bank	6971	9324
30	South Indian Bank Ltd.	250	440
31	State Bank of Bikaner & Jaipur	1181	1291
32	State Bank of India	17060	30283
33	State Bank of Mysore	1209	1576
34	State Bank of Travancore	989	1177
35	Syndicate Bank	1003	2324
36	UCO Bank	3715	3755
37	Union Bank of India	3272	4536
38	United Bank of India	1992	4461
39	Vijaya Bank	911	1233
40	Yes Bank Ltd	7	19
TOTAL:		82783	119759

* Listing as per BSE website

Source: RBI (Off-site returns as reported by banks, domestic operations)