

Publishing of details of companies defaulting on loan payment

2609. SHRI RAM KUMAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether Non-Performing Assets (NPAs) of Public Sector Banks (PSBs) have registered substantial increase during the recent years;

(b) if so, the reasons therefor;

(c) the details of steps taken to recover pending dues;

(d) the details of companies from whom more than one crore rupees are to be recovered and whether there is any proposal to publish their details in leading newspapers etc; and

(e) whether there is any proposal to attach properties and bank accounts of defaulting companies to recover dues from them and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) The Non-Performing Assets (NPAs) of Public Sector Banks (PSBs) have increased from ₹1,12,489 crore (March, 2012 GNPA 3.17%) to ₹1,55,890 crore (March, 2013 GNPA 3.18%) to ₹2,16,739 crore (March, 2014 GNPA 4.72%) and ₹2,40,986 crore (Sept, 2014 GNPA 5.29%).

Main reasons for increase in NPAs of banks, *inter-alia*, are sluggishness in the domestic growth during the recent past, slowdown in recovery in the global economy and continuing uncertainty in the global markets. There are five sub-sectors: infrastructure [which includes power generation, telecommunications, roads, ports, airports, railways (other than Indian Railways) and other infrastructure], iron and steel, textiles, mining (including coal) and aviation services which contribute significantly to the level of stressed advances.

(c) To improve asset quality of banks, and to prevent slippages, Reserve Bank of India (RBI) has issued instructions which stipulate that each bank is to have a Board approved loan policy, loan recovery policy, put in place an effective mechanism for information sharing for sanction of fresh loans/ad-hoc loans/renewal of loans to new or existing borrowers, have a robust mechanism for early detection of signs of distress including prompt restructuring in the case of all viable accounts, taking recourse to legal mechanisms like SARFAESI Act, 2002, DRTs and Lok Adalats.

RBI has issued instructions to the Banks to review slippages in asset classification in the borrowal accounts with outstanding ₹5 crore and above by the Board of Directors of the bank and review NPA accounts which have registered recoveries of ₹1 crore and above.

The Reserve Bank of India has recently released a comprehensive 'Framework for Revitalising Distressed Assets in the Economy'. The Framework outlines a corrective action plan that will incentivise early identification of problem cases, timely restructuring of accounts which are considered to be viable, and taking prompt steps by banks for recovery or sale of unviable accounts. The Government has advised PSBs to constitute a Board level Committee for monitoring of NPAs and recovery, appointment of Nodal officers for recovery at the Head Office/Zonal Office/for each DRT, to conduct special drives for recovery of loss assets, and has instructed PSBs that writes-offs should not be more than recovery.

The Government on 26th June, 2014 has suggested banks to give more focussed monitoring in coordination with other members of consortium, assigning the responsibility at the Executive Director level, hiring best lawyers and monitoring their performance in defending bank's interest in the Debt Recovery Tribunals (DRTs) and High Courts. To remove bottlenecks in the recovery of bad debts The Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012 has been passed by Parliament and has come into force from 15.01.2013.

(d) As on March 2014, the total number and amount of GNPA's above ₹1 crore is 11,299 and ₹1,67,729 crore respectively. The borrower's details are not disclosed as prescribed under Section 45E of the RBI Act, 1934 and the banking laws, which provide for obligation of a bank or financial institution to maintain secrecy about the affairs of its constituents.

(e) The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, *inter-alia*, provides for enforcement of security interest for realisation of dues without the intervention of courts or tribunals. Banks undertake possession and sale of secured assets to recover their dues.

Recovery of Debts Due to Banks and Financial Institution (RDDBFI Act, 1993), provides an effective and expeditious mechanism to the banks and financial institutions to recover their dues, which also includes attachment/sale of properties and bank accounts of defaulting companies.

Medical web portal

2610. SHRI MANSUKH L. MANDAVIYA: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) the updated status of the action taken, if any, by Central Government in consultation with State Governments regarding launching of special web portal where medical practitioners, researchers etc. can share their suggestions, latest research