

and persons associated with NPA accounts from the process have been provided for, which has instilled greater credit discipline among corporate debtors.

- (4) PSBs have put in place arrangements for checking credit information reports of Credit Information Companies for sanction and renewal of corporate loans.
- (5) A Central Repository of Information on Large Credits (CRILC) has been created to collect, store and disseminate data on all borrowers' credit exposures of ₹ 5 crore and above, to enable better monitoring.
- (6) To enable banks to inform relevant authorities if need arises, PSBs have been advised to obtain a certified copy of the passport of promoters/Directors and other authorised signatories of companies availing of loan facilities of more than ₹ 50 crore. The heads of PSBs have also been empowered to issue requests for issue of Look Out Circulars.
- (7) A Central Fraud Registry has been created for all frauds reported by banks to RBI, involving amount above ₹ 1 lakh.

Enabled by the above steps, financial gains from cleaning of the banking system are now amply visible. As per RBI data on global operations, the NPAs of PSBs, after reaching a peak of ₹ 8,95,601 crore as on 31.3.2018, have since declined by ₹ 1,06,032 crore to ₹ 7,89,569 crore as on 31.3.2019 (provisional data for the financial year ending March 2019). PSBs have recovered ₹ 3,16,479 crore over the last four financial years, including a record recovery of ₹ 1,27,987 crore during 2018-19 (provisional data for the financial year ending March 2019, as reported by RBI on 9.7.2019).

Note: Figures cited above for PSBs include those for IDBI Bank Limited, which was re-categorised as a private sector bank by RBI with effect from 21.1.2019.

Stringent measures to deal with wilful defaulters

2562. DR. SASIKALA PUSHPA RAMASWAMY: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the cases of wilful defaulters to banks have increased manifold over the past years;
- (b) if so, the details of wilful defaulters during last three years;
- (c) whether nationalised banks have requested Government to take stringent measures in order to deal with wilful defaulters; and

(d) if so, the details of the steps taken by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (d) As per data received from nationalised banks, details of wilful defaulters declared during the last three financial years are as under:—

Financial year	Total number of wilful defaulters declared by end of the financial year (including wilful defaulters declared in previous years)
2016-17	7,079
2017-18	7,535
2018-19	8,582

Wilful defaulters have been acted against comprehensively. As per data reported by nationalised banks, till 31.3.2019, suits for recovery have been filed in 8,121 cases. In cases involving secured assets, action under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been initiated in 6,251 cases. Further, in accordance with RBI instructions of initiation of criminal proceedings wherever necessary, FIRs have been registered in 2,915 cases.

Moreover, to deter wilful defaulters, as per RBI's instructions, wilful defaulters are not sanctioned any additional facilities by banks or financial institutions, and their unit is debarred from floating new ventures for five years. Further, *vide* Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Second Amendment) Regulations, 2016, wilful defaulters and companies with wilful defaulters as promoters/directors have been debarred from accessing capital markets to raise funds. In addition, the Insolvency and Bankruptcy Code, 2016 has debarred wilful defaulters from participating in the insolvency resolution process.

Additionally, for effective action against wilful defaulters fleeing Indian jurisdiction, the Fugitive Economic Offenders Act, 2018 has been enacted to provide for attachment and confiscation of property of fugitive offenders and has disentitled them from defending any civil claim. Further, Government has advised Public Sector Banks (PSBs) to decide on publishing photographs of wilful defaulters, in terms of RBI's instructions and as per their Board-approved policy, and to obtain certified copy of the passport of the promoters/

directors and other authorised signatories of companies availing loan facilities of more than ₹ 50 crore. Heads of PSBs have also been empowered to request for issue of Look Out Circulars (LOCs).

Roadmap for PSBs growth and consolidation

2563. SHRI A.K. SELVARAJ: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government is considering a roadmap for public sector banks (PSBs) for the next five years in terms of growth and consolidation;
- (b) if so, the details thereof;
- (c) whether it is also a fact that Government held discussion with the chiefs of PSBs; and
- (d) if so, the deliberations made in the meetings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (d) With regard to growth, it is stated that the Finance Minister, in her speech on the budget for the financial year 2019-20 has stated: "Having addressed legacy issues, Public Sector Banks are now proposed to be further provided 70,000 crore capital to boost credit for a strong impetus to the economy." Accordingly, provision of ₹ 70,000 crore for capital infusion in banks is part of the budget proposal.

With regard to consolidation, it is stated that the Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980 provide that the Central Government, in consultation with the Reserve Bank of India (RBI), may make a scheme, *inter alia*, for the amalgamation of any nationalised bank with any other nationalised bank or any other banking institution. Various committees, including Narasimhan Committee (1998) constituted by RBI, Leeladhar Committee (2008) chaired by RBI Deputy Governor, and Nayak Committee (2014) constituted by RBI, have recommended consolidation of Public Sector Banks (PSBs) given underlying benefits/synergies. Taking note of this and potential benefits of consolidation, Government, with a view to facilitate consolidation among PSBs to create strong and competitive banks, serving as catalysts for growth and having an improved risk profile, approved an approval framework for proposals to amalgamate PSBs through an Alternative Mechanism (AM). After consideration by AM and the Boards of Directors of Bank of Baroda, Vijaya Bank and Dena Bank (with the Boards of Bank of Baroda and Vijaya Bank giving in-principle approval and the Board of Dena Bank recommending amalgamation), and after obtaining RBI inputs, Government notified the scheme of amalgamation, amalgamating Vijaya Bank and Dena Bank into Bank of Baroda with effect from 1.4.2019. No proposal is presently before the AM for its consideration.