

photographs of wilful defaulters, in terms of RBPs 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 Rs. 50 crore. Heads of PSBs have also been empowered to request for issue of Look Out Circulars.

(b) and (c) A number of structural changes have been effected by the Government to the system of corporate governance in PSBs in recent years. The position of Chairman and Managing Director in nationalised banks has been bifurcated into a non-executive Chairman and a Managing Director and Chief Executive Officer. An independent Banks Board Bureau has been set up for arm's length selection of non-executive Chairmen and whole-time directors (WTDs) in PSBs. The eligible talent pool for selection of WTDs in PSBs has been widened and performance-based extensions have been instituted for WTDs. Further, the Finance Bill, 2019 contains a proposal to amend the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1980 for raising the maximum number of WTDs that may be appointed on the Board of a nationalised bank from four to five.

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.

NPA's in educational sector

2568. SHRI KANAKAMEDALA RAVINDRA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of the fact that due to dwindling opportunity for students pursuing various courses regarding employment, they are unable to repay the education loan availed by them;

(b) if so, the details thereof;

(c) whether Government is also aware of the fact that NPAs in education sector have touched 9 per cent; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (d) The Reserve Bank of India has advised all Scheduled Commercial Banks to adopt Education Loan Scheme, formulated by Indian Banks' Association (IBA), *vide* circular RPCD.PLNFS. BC. NO.83/06.12.05/2000-01

dated April 28, 2001. This is a Model Education Loan Scheme for providing financial support to meritorious students for pursuing higher education in India and abroad.

Taking into account spells of under-employment/unemployment, the scheme provides for Repayment Holiday/Moratorium of Course period + 1 year, additional periods of moratorium during the life cycle of the loan, moratorium for the incubation period if the student wants to take up a start-up venture after graduation, extension of repayment period to 15 years to reduce Equated Monthly Instalment (EMI), etc. Government of India has also launched a Credit Guarantee Fund Scheme for Education Loans (CGFEL) for loans upto ₹ 7.50 Lakh. The fund provides guarantee to the extent of 75% of the defaulted amount. Further, Banks have been advised to adopt a non-coercive strategy for recovery of education loans.

As per information received from RBI, NPAs of Scheduled Commercial Banks in education sector, as on 31.03.2019, is 8.3%.

Recovery plan from top 100 wilful defaulters

2569. SHRI SYED NASIR HUSSAIN: Will the Minister of FINANCE be pleased to state:

- (a) whether the number of loan defaulters in the country have risen in last three years;
- (b) if so, whether the financial institutions have made a survey on the lenders;
- (c) whether 40 per cent of loan defaulters are wilful defaulters;
- (d) if so, the details thereof and action taken by Government including the action plan for loan recovery from top 100 borrowers; and
- (e) the amount borrowed by top 100 borrowers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) to (e) As per Reserve Bank of India (RBI)'s data on global operations, aggregate gross advances of Scheduled Commercial Banks (SCBs) increased from ₹ 25,03,431 crore as on 31.3.2008 to ₹ 68,75,748 crore as on 31.3.2014. As per RBI inputs, the primary reasons for the spurt in stressed assets have been observed to be, *inter-alia*, aggressive lending practices, wilful default/loan frauds/corruption in some cases, and economic slowdown. Asset Quality-Review (AQR) initiated in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of Non Performing Assets (NPAs). As a result of AQR and subsequent transparent recognition by banks,