

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1704**

To be answered on the February 13, 2023/Magha 24, 1944 (Saka)

**Bank NPAs**

1704. SHRI M. BADRUDDIN AJMAL:

Will the Minister of FINANCE be pleased to state:

- (a) the amount of loans provided by the Public Sector Banks (PSBs) to individuals, industries, corporate houses during each of the last three years and the current year, bank-wise;
- (b) the details of outstanding loans/Non-Performing Assets (NPAs) and its share and percentage during the said period, bank-wise;
- (c) the progress of the recovery of such loans during the said period;
- (d) whether the banks have been permitted to dilute and decentralize the process of Corporate Debt Restructuring (CDR) at branch level to reduce the NPA; and
- (e) if so, the details thereof and the other measures taken/proposed to be taken by the Government to reduce the NPA of banks?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(DR. BHAGWAT KARAD)

(a) to (c): The outstanding of gross advances of Public Sector Banks (PSBs), including loans to individuals, industries, corporates, for last three years and current year as on 30.9.2022 are at Annexure I.

The details of Gross Non-performing asset (GNPA) ratio of PSBs for last three years and current year as on 30.9.2022 are at Annexure II.

As per Reserve Bank of India (RBI), PSBs have recovered an amount of Rs 2,81,471 crores in last three financial years.

(d) and (e): Corporate Debt Restructuring (CDR) scheme, introduced in August 2001, has since been withdrawn by RBI in June 2019 while issuing circular on “Prudential Framework for Resolution of Stressed Assets”, which provides for early recognition and resolution of stressed assets within a time bound manner.

Comprehensive steps that have been taken by the Government and RBI to prevent and reduce NPAs, include, *inter alia*, the following –

- (1) Change in credit culture has been effected, with the Insolvency and Bankruptcy Code (IBC) fundamentally changing the creditor-borrower relationship, taking away control of the defaulting company from promoters/owners, and debarring wilful defaulters from the resolution process. To make the process more stringent, personal guarantor to corporate debtor has also been brought under the ambit of IBC.
- (2) Further, a pre-packaged insolvency resolution process (PPIRP) was operationalised under IBC to provide an efficient alternative insolvency resolution process for corporate persons classified as micro, small and medium enterprises (MSME), ensuring quicker, cost-effective and value maximising outcomes for all the stakeholders, in a manner which is least disruptive to the continuity of their businesses and also preserving employment.
- (3) Prudential Framework for Resolution of Stressed Assets was issued by RBI in 2019 to provide a framework for early recognition, reporting and time bound resolution of stressed assets, with a build-in incentive to lenders for early adoption of a resolution plan.
- (4) Central Repository of Information on Large Credits (CRILC) collects, stores and disseminates credit data to lenders, and banks are required to submit report on weekly basis to CRILC, in case of any default by borrowing entities with exposure of Rs. 5 crore and above.
- (5) Under the PSB Reforms Agenda, comprehensive and automated Early Warning Systems (EWS) were instituted in PSBs, with ~80 EWS triggers and use of third-party data for time-bound remedial actions in the borrowing accounts.
- (6) PSBs have also created Stressed Asset Management Verticals for stringent recovery, segregated pre- and post-sanction follow-up roles for clean and effective monitoring, and engaging specialised monitoring agencies for monitoring of large-value accounts.
- (7) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been amended to make it more effective.
- (8) 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.
- (9) Wilful defaulters and companies with wilful defaulters as promoters/directors have been debarred from accessing capital markets to raise funds.

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## Annexure I

*Amount in INR Crores*

Gross Advances (Global) including loans to individuals, industries, corporate houses Outstanding as on				
	<b>31-03-2020</b>	<b>31-03-2021</b>	<b>31-03-2022</b>	<b>30-09-2022</b>
Bank of Baroda	7,38,096	7,51,590	8,18,121	8,73,496
Bank of India	4,16,521	4,10,436	4,57,014	4,93,814
Bank of Maharashtra	94,889	1,07,654	1,35,240	1,48,216
Canara Bank	6,60,717	6,75,155	7,41,147	8,24,147
Central Bank of India	1,72,244	1,76,913	1,89,712	1,97,022
Indian Bank	3,68,663	3,90,317	4,15,625	4,37,941
Indian Overseas Bank	1,34,771	1,39,597	1,55,801	1,72,713
Punjab National Bank	7,62,721	7,39,407	7,85,104	8,30,212
Punjab & Sind Bank	62,564	67,811	70,387	73,739
State Bank of India	24,22,845	25,39,393	28,18,671	30,35,071
UCO Bank	1,14,961	1,18,405	1,29,777	1,42,156
Union Bank of India	6,66,117	6,53,684	7,16,408	7,73,690

*Source: RBI*

## Annexure II

GNPA ratio (%) of PSBs as on				
	31-03-2020	31-03-2021	31-03-2022	30-09-2022
Bank of Baroda	9.40	8.87	6.61	5.31
Bank of India	14.78	13.77	9.98	8.51
Bank of Maharashtra	12.81	7.23	3.94	3.40
Canara Bank	9.25	8.93	7.34	6.37
Central Bank of India	18.92	16.55	14.84	9.67
Indian Bank	11.39	9.85	8.47	7.30
Indian Overseas Bank	14.78	11.69	9.82	8.53
Punjab National Bank	13.79	14.12	11.78	10.48
Punjab & Sind Bank	14.18	13.76	12.17	9.67
State Bank of India	6.15	4.98	3.97	3.52
UCO Bank	16.77	9.59	7.89	6.58
Union Bank of India	14.59	13.74	11.11	8.45

Source: RBI

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