

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2502  
ANSWERED ON:07.12.2012  
WILFUL DEFAULTERS  
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**Will the Minister of FINANCE be pleased to state:**

- (a) whether the public sector banks (PSBs) have prepared any list of wilful defaulters or borrowers who have not repaid the bank loan;
- (b) if so, the details thereof, Bank-wise including the number of such defaulters;
- (c) the details of the criteria adopted/laid down by Banks to declare a borrower as wilful defaulter;
- (d) the total amount of unpaid loan outstanding against such defaulters as on date, bank- wise; and
- (e) the steps taken/being taken by the Government to recover the outstanding loan amount from such wilful defaulters?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a), (b) & (d): Reserve Bank of India (RBI) collects on quarterly basis, the information on Wilful Defaulters (non-suit filed accounts) of Rs. 25 lakh & above from Banks. Besides RBI, the Credit Information Companies, including Credit Information Bureau of (India) Limited (CIBIL), are maintaining a database on suit filed accounts, including wilful defaulters with Rs. 25 lakhs and above. The details of such accounts as on 31st March 2012 in Public Sector Banks are as under:

(Amount in Rs. Crore)

Suit Filed Accounts		Non-Suit filed Accounts	
Nos.	Amt.	Nos.	Amt.

Nationalised Banks	2451	9510.89	157	683.12
State Bank Group	1085	7014.40	981	3491.58
Total Public Sector Banks	3536	16525.30	1138	4174.70

(Source: RBI)

(c): A 'wilful default' would be deemed to have occurred if the unit has defaulted in meeting its payment / repayment obligations to the lender when the unit has:

# the capacity to honour the said obligations;

# has diverted the funds for other purpose;

# not utilized/ siphoned off the finance from the lender for the specific purposes for which finance was availed of, nor the funds are available with the unit in the form of other assets,

# disposed off or removed the movable fixed assets or immovable property given by him or it for the purpose of securing a term loan without the knowledge of the lender.

(e): A copy of list of wilful defaulters, (non-suit filed accounts) and list of wilful defaulters (suit filed accounts) are forwarded to Securities & Exchange Board of India (SEBI) by RBI and CIBIL respectively, in order to prevent them to access the capital markets. No additional facilities are to be granted by any bank / FI to the listed wilful defaulters.

The legal process, wherever warranted, against the borrowers / guarantors and foreclosure of recovery of dues should be initiated expeditiously by the banks. The lenders may also initiate criminal proceedings against wilful defaulters, wherever necessary.

Other legal options available to banks for resolution of NPAs/recovery of loans, are action under Securitisation and Reconstructions of

Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002), recourse to Debt Recovery Tribunals (DRTs) and Lok Adalats.