

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:283

ANSWERED ON:06.12.2013

NPA

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Will the Minister of FINANCE be pleased to state:

- (a) the details of the total amount of credit given by the public and private sector banks to various sectors during each of the last three years and the current financial year;
- (b) whether Non-Performing Assets (NPAs) of public and private sector banks have increased during the said period;
- (c) if so, the details of NPAs of PSBs in agriculture, industry, trade and service sectors during the said period, bank-wise and sector-wise;
- (d) the details of NPAs of PSBs recovered and written off during the same period, bank-wise and sector-wise; and
- (e) whether the system of recovery of NPAs of PSBs is being implemented effectively and if so, the details thereof and the measures taken / being taken by the Government to streamline loan recovery policy and to evolve innovative methods for recovery of NPAs including initiating criminal proceedings against willful defaulters?

Answer

The Minister of State in the Ministry of Finance (Shri Namu Narain Meena)

(a) & (b): The details of Gross Advances and Gross Non-performing Assets (NPA) of Public Sector Banks and Private banks during the last three years and current year are as under:-

Bank Groups	Gross Advances	Gross NPAs
Public Sector		
Mar 2011	30,59,953	71,080
Mar 2012	35,50,389	1,12,489
Mar 2013	40,55,874	1,55,890
Sep 2013	42,20,014	2,03,270
Old Private Sector		
Mar 2011	1,87,296	3,695
Mar 2012	2,32,918	4,200
Mar 2013	2,73,120	5,210
Sep 2013	2,79,364	6,734
New Private Sector Banks		
Mar 2011	5,45,014	14,277
Mar 2012	6,47,528	14,115
Mar 2013	7,72,643	14,776
Sep 2013	8,23,737	16,048

(c): The bank-wise and sector-wise Non-performing assets of Public Sector Banks (PSBs) during the last three years are at Annex-I.

(d): The bank-wise details of recovery and written off amount by Public Sector Banks are at Annex-II.

(e): To improve asset quality of banks, and to reduce NPAs, the Government has advised Public Sector Banks (PSBs) to take a number of new initiatives to increase the pace of recovery and manage NPAs, which, inter-alia, include appointment of Nodal officers for recovery, to conduct special drives for recovery of loss assets, to put in place early warning system, and to constitute a Board level Committee for monitoring of recovery.

RBI and the banks have already taken various steps over the years, which, inter-alia, include prescribing prudential norms for provisioning and classification of non-performing assets, guidelines for prevention of slippages, Corporate Debt Restructuring and other restructuring schemes, One Time Settlement schemes, enactment of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, the Credit Information Companies (Regulation) Act, 2005 and the

Recovery of Debts due to Banks and Financial Institution (RDDBFI) Act, 1993, etc.

Further, to ensure effective and expeditious recovery of defaulted loans of Banks and Financial Institutions, the Enforcement of Security interest and Recovery of Debts Laws (Amendment) Act, 2012' (No.1 of 2013) has been enacted bringing out certain amendments in the SARFAESI, Act, 2002 and RDDBFI Act, 1993.