

'DEFAULTER COUNT IN PSBS HAS RISEN 60% SINCE FY15'

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Banking, NPAs and RBI

Nirmala Sitharaman

The number of wilful defaulters in nationalised banks has increased by more than 60% to 8,582 to March 2019 from 2014-15, the government said on Monday. By the end of the 2014-15 fiscal, the figure had stood at 5,349, Finance Minister Nirmala Sitharaman told the Lok Sabha.

A wilful defaulter is an entity or a person that has not paid a loan back despite the ability to repay it.

The Minister was replying to a question as to whether the cases of wilful defaulters of banks have increased in the last five years. Rising consistently since 2014-15, the number of such borrowers increased to 6,575 in 2015-16, 7,079 in 2016-17 and further to 7,535 in 2017-18. "Wilful defaulters are acted against comprehensively. Moreover... 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," she said. An amount of Rs. 7,654 crore has been recovered from their accounts in the period.

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