



ALL INDIA BANK EMPLOYEES' ASSOCIATION

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TO ALL UNITS AND MEMBERS:

Dear Comrades,

Congratulations – AIBEA’s demand on publication of names of loan defaulters nearing reality - Supreme Court judgement directs RBI to disclose the names of defaulters and Inspection Reports under RTI – This is a notable development and vindicates the demand of AIBEA.

All of us aware that bulging bad loans in the Banks has been the main problem faced by the Banks and all the Banks are suffering from this ailment. Due to the callous approach of the Government and their unwillingness to take stringent measures to recover the bad loans of the Banks, borrowers, particularly the big and corporate borrowers, are emboldened to default their loans. Rather defaulting the loan to the Bank has been developed into an exquisite art.

There are also political overtones in sanction of such huge loans in which one can easily discern the nexus prevailing between corporate borrowers, political authorities, bureaucrats and a section of top managements. Thus bad loans have become the hot bed for corruption also.

Bad loans, euphemistically called NPA, have grown beyond proportion over the years.

As on 31st March	Gross NPA - Rs. in Crores
1997	47,300
1998	50815
1999	58554
2000	60408
2001	63883
2002	54,673
2003	54,090
2004 - UPA I	51,537
2005	48,399
2006	41,358
2007	38,968
2008	39,030

2009 - UPA II	44,957
2010	59,927
2011	74,664
2012	1,17,000
2013	1,64,461
2014 - NDA	2,16,739
2015	2,78,877
2016	5,39,955
2017	6,84,733
31-3-2018	8,95,600 Crores

This apart, many of the bad loans are also wilful defaults. That means that knowingly and deliberately, these borrowers have refused to pay the bank loans. As per reply given by the Minister in the Parliament, the number of cases of wilful defaulters have gone up and as on 31-3-2018, the amount involved is Rs. 1,22,018 crores by 9,331 borrowers.

WILLFUL DEFAULTERS AS ON 31.3.2018

Name of the Bank	WILLFUL DEFAULTERS	
	Number	Amount in Cr.
State Bank of India	1680	34436
Punjab National Bank	1090	15190
Bank of India	422	7463
Bank of Baroda	303	6253
Central Bank of India	787	6197
UCO Bank	656	5722
Union Bank of India	803	5103
Vijaya Bank	142	5041
IDBI Bank	116	4828
Canara Bank	491	4759
Indian Overseas Bank	527	4485
Oriental Bank of Commerce	424	4215
Allahabad Bank	250	3965
Andhra Bank	394	3957
Corporation Bank	122	2453
Dena Bank	228	1877
United Bank of India	387	1737
Bank of Maharashtra	212	1518
Indian Bank	67	1373
Syndicate Bank	203	1162
Punjab and Sind Bank	27	283
	9331	1,22,018

We demand Recovery – They talk of Resolution: From AIBEA we have been demanding stern action to recover these bad loans. But unfortunately, the Government has been talking of 'resolution' of these bad loans. The present Government has brought the new law, IBC – Insolvency and Bankruptcy Code. But all of us know that under these IBC rules, the Banks are compelled to accept huge haircuts. Banks are the losers. All of us also know who has gained in the process.

Bad Loans show Banks in poor light: Because of these alarming bad loans in the Banks, the Banks are compelled to make huge provisions for the bad loans from out of the profits earned by them.

SEE WHERE THE PROFITS GO

Year	Gross Profit Before Provisions for Bad Loans	Provisions made for Bad Loans/NPAs	Published Net Profit
2008-09	45,494 Cr.	11,121 Cr.	34,373 Cr.
2009-10	57,293 Cr.	18,036 Cr.	39,257 Cr.
2010-11	74,731 Cr.	29,830 Cr.	44,901 Cr.
2011-12	87,691 Cr.	38,177 Cr.	49,514 Cr.
2012-13	93,684 Cr.	43,102 Cr.	50,582 Cr.
2013-14	1,27,652 Cr.	63,389 Cr.	37,018 Cr.
2014-15	1,37,817 Cr.	76,837 Cr.	37,540 Cr.
2015-16	1,36,926 Cr.	1,60,303 Cr.	- 17993 Cr.
2016-17	1,58,982 Cr.	1,68,469 Cr.	- 11,388 Cr.
2017-18	1,55,585 Cr.	2,70,953 Cr.	- 85,371 Cr.

For the past 3 years, the entire profits earned by the Banks are provided towards bad loans and consequently, 19 out of 21 Banks were in Net Loss position as on 31-3-2018.

Publish the names of loan defaulters – AIBEA's Demand:

Since the defaulters are the main villains, AIBEA has been demanding publication of the names of these defaulters to make the people know who are these cheaters of public money. But the Government has been reluctant and RBI was also sitting tight on our demand in the name of 'secrecy'. We are happy that the judgement of Supreme Court is welcome development. Let us continue our campaign and demand. Sooner or later, Government and RBI has to come out, amend the RBI Act and publish the names of defaulters periodically to let the country know who are these defaulters and cheaters of people's money.

With greetings,

Yours comradely,

**C.H.VENKATACHALAM
GENERAL SECRETARY**