

Wilful defaulters borrowing Rs 2.5 million and above owed [more](#) than Rs 154.90 billion to [PNB](#) as of May end, up 2 per cent from the preceding month.

The data from the state-owned [Punjab National Bank](#) covers the big wilful defaulters who are not paying back their loans despite having the capacity to do so.

These borrowers of [PNB](#) had defaulted on loan repayment of Rs 151.99 million as on April 30 this year.

For financial year ended March 2018, the bank's balance sheet had closed with big wilful defaults owing Rs 151.71 billion.

[PNB](#) suffered a standalone net loss of Rs 122.82 billion in 2017-18, as against a profit of Rs 13.24 billion in 2016-17.

The major defaulters included Kudos Chemie - Rs 13.01 billion; [Kingfisher Airlines](#) Rs 5.97 billion; BBF Industries Rs 1.00 billion; [ICSA \(India\) Ltd](#) Rs 1.34 billion; [Arvind Remedies](#) Rs 1.58 billion and [Indu Projects Ltd](#) Rs 1.02 billion.

Others included [Jas Infrastructure](#) and [Power Ltd](#) - Rs 4.10 billion; [VMC Systems](#) - Rs 2.96 billion; MBS Jewellers - Rs 2.66 billion; Tulsi Extrusion - Rs 1.75 billion. These borrowers took loan from PNB through a consortium arrangement of several [banks](#).

The defaulters who took loan solely from PNB were: [Winsome Diamonds and Jewellery](#) - Rs 8.99 billion; Forever Precious Jewellery & Diamonds - Rs 7.47 billion; Zoom Developers - Rs 4.10 billion; Nafed - Rs 2.24 billion and [Mahua Media Pvt Ltd](#) - Rs 1.04 billion.

The Indian [banking](#) sector, particularly state-owned lenders, is grappling with mounting non performing assets (NPAs) or bad loans as also a host of scams and frauds. NPAs in the [banking](#) sector stood at Rs 8.31 trillion as of December 2017.

The total bad loan write-off by the public sector [banks](#) stood at over Rs 1.20 trillion in the last fiscal, with SBI bearing the burnt at Rs 401.96 billion, nearly 25 per cent of the total write-offs during 2017-18.

This was followed by [Canara Bank](#) (Rs 83.10 billion), [Punjab National Bank](#) (Rs 74.07 billion) and [Bank of Baroda](#) (Rs 49.48 billion).

Scam-hit PNB which has suffered a fraud of Rs 143.57 billion allegedly carried out by celebrity [jewellery designer Nirav Modi](#) and his associates, witnessed a sharp deterioration in its asset quality with gross loans mounting to 18.38 per cent of gross advances at the end of March 2018, as against 12.53 per cent a year ago.

Net NPAs were also soared to 11.24 per cent against 7.81 per cent year ago.

In absolute terms, the gross NPAs of PNB surged to Rs 866.20 billion in the fourth quarter as compared to Rs 553.70 billion in same quarter a year ago. Similarly, the net NPA also rose to Rs 486.84 billion from Rs 327.02 billion at the end of March 2017.