

04:05 PM   06 FEB <b>MARKET STATS</b> ▼	SENSEX <b>28,439</b> ▲ 198.76	NIFTY 50 <b>8,801</b> ▲ 60.10	GOLD (MCX) (Rs/10g.) <b>29,068</b> ▲ 159.00	USD/INR <b>67.22</b> ▼ -0.10	CREATE PORTFOLIO	Download ET MARKETS APP	CHOOSE LANGUAGE ENG
--	----------------------------------	----------------------------------	--	---------------------------------	------------------	-------------------------	------------------------

# Banks going all out in recovering dues from both public and private lenders

By [Saloni Shukla](#), ET Bureau | Updated: Aug 08, 2016, 01:37 AM IST

[Post a Comment](#)

MUMBAI: Banks are pulling out all the stops in recovery from defaulters with both public and private lenders corraling at least Rs 10,000 crore in the last quarter alone and the lenders' aggression, combined with an increasing feeling that the system could only get tougher with Insolvency and [Bankruptcy Act](#), promoters have been more forthcoming.

The Insolvency and Bankruptcy Act was passed in May this year. [Punjab National Bank](#) improved its cash recovery to Rs 4,830 crore and recovery from written-off accounts stood at `727 crore. It also upgraded Rs 1,181-crore accounts during the June quarter.

"We are targeting recovery of Rs 3,000 crore from written-off accounts this year," Usha Ananthasubramanian, MD, [PNB](#) said. "Last year we recovered Rs 2,300 crore and we have done Rs 727 crore in quarter one alone."

The bank management has said that it has created a 'war room' for real time monitoring of non-performing assets. A group of general managers were also involved in developing resolution strategy in accounts where outstandings exceeded Rs 100 crore.

[Canara Bank](#) also saw healthy cash recoveries from bad loans at Rs 918 crore. The state-run lender also recovered Rs 61 crore and Rs 147 crore from loss assets and written-off accounts, respectively. The bank also made intraquarter cash recovery of Rs 235 crore and upgraded accounts worth Rs 1,426 crore in the quarter.

[Union Bank of India](#), which reported its quarterly [earnings](#) over the weekend, also saw its cash recoveries improve significantly to Rs 350 crore. It also recovered Rs 36 crore from written-off accounts and upgraded loans worth Rs 141 crore. As a percentage of total loans, its gross NPAs stood at 10.2% at the end of the June quarter, compared with 8.7% in the previous quarter and 5.5% in the year-ago quarter.

"We are targeting accounts and not portfolios. That is a significant strategy for us," Arun Tiwari, MD, [Union Bank of India](#) said. "Accounts, which we feel are low hanging fruits, the bank will make extra efforts to recover from such accounts."

Mid-sized state-run lender [Syndicate Bank](#) also made recoveries of Rs 445 crore and upgraded accounts worth Rs 220 crore. Private sector lender [ICICI Bank](#) made loan recovery of Rs 800 crore during Q1, while [Axis Bank](#) recovered loans worth Rs 140 crore.

Despite the uptick in cash recoveries, analysts feel sustaining this momentum will be very difficult for banks. "I don't think this level of recovery is sustainable," Siddharth Purohit, senior research analyst at Angel Broking said. "I expect it to taper off during the year."

Stay on top of business news with The Economic Times App. [Download it Now!](#)

## RELATED COMPANIES

EXPAND

[Union Ban...](#)

[Union Ban...](#)

[Syndicate...](#)

EXPAND TO VIEW ALL

## Budget 2017:

[Budget 2017 is out: Read how it impacts you and India](#)

Live Market   News   Portfolio   Mobile   Live TV   Newsletter   Commodities   Speed   QnA   Blogs   Alerts   RSS

### Other Times Group news sites

Times of India | इकनॉमिक टाइम्स  
 ॐडोनीमिड टाइम्स | Mumbai Mirror  
 Times Now | Indiatimes  
 नवभारत टाइम्स | महाराष्ट्र टाइम्स  
 ವಿಜಯ ಕರ್ನಾಟಕ | Lifehacker

### Living and entertainment

Timescity | iDiva | Zoom |  
 Luxpresso | Gaana | Happytrips |  
 Cricbuzz | Get Smartapp

### Networking

itimes | MensXP.com

### Hot on the Web

Punjab & Goa Election  
 2017 | Income Tax calculator  
 Income Tax Slabs | Budget 2017  
 Elections 2017 | BUDGET 2017-  
 What's Cheaper & Expensive  
 Sensex, Nifty Live

### Services

ads2book | Gadgetsnow | Free Business Listings  
 Simplymarry | Astrospeak | Timesjobs | Magicbricks | Zigwheels | Timesdeal |  
 dineout | Filmipop | Remit2India | Gaana | Greetzap | Techradar | Alivear |  
 Google Play

