



भारतीय रिजर्व बैंक
RESERVE BANK OF INDIA

RBI/2013-14/667

DBOD.No.CID.BC. 128 /20.16.003/2013-14

June 27, 2014

All Commercial Banks (excluding RRBs),
All India Notified Financial Institutions, and
All Credit Information Companies.

Dear Sir / Madam

Defaulters of Rs. 1 crore and above (non-suit filed accounts) and Wilful Defaulters of Rs. 25 lakhs and above (non-suit filed accounts) – Changes in reporting to Reserve Bank of India (RBI)/Credit Information Companies (CICs)

Please refer to our circulars DBOD.No.BC/CIS/47/20.16.002/94 dated April 23, 1994 on Disclosure of Information on Defaulting Borrowers of banks / Notified All India Financial Institutions (FIs) and the [Master Circular DBOD.No.CID.BC.3 /20.16.003 /2013-14 dated July 1, 2013](#) on Wilful Defaulters.

2. As you are aware, a Committee to Recommend Data Format for Furnishing of Credit Information to Credit Information Companies (Chairman: Shri Aditya Puri) was constituted by the Reserve Bank of India (RBI). The Report of the Committee was placed on RBI's website on March 22, 2014 inviting comments on its recommendations. A copy of the Report of the Committee is attached for reference.

<http://rbi.org.in/scripts/PublicationReportDetails.aspx?UrlPage=&ID=763>

3. The Committee has made certain recommendations regarding changes in the commercial data format for reporting of data in respect of defaulters/wilful defaulters [paragraph 8.13(a) of the Report] and on dissemination of information pertaining to defaulters and wilful defaulters [paragraph 8.37 of the Report].

4. Presently, banks/FIs submit the following data to RBI:

- (i) Defaulting borrowers (non-suit filed accounts) of Rs. 1 crore and above on a half-yearly basis, and
- (ii) Wilful Defaulters (non-suit filed accounts) of Rs. 25 lakhs and above on a quarterly basis.

RBI compiles this data and disseminates two separate lists viz. List of Defaulters [(non-suit filed accounts) of Rs.1 crore and above] and Wilful Defaulters [(non-suit filed accounts) of Rs. 25 lakh and above] to the banks/FIs.

5. Banks/FIs had been advised vide our [circular DBOD.No.CID.BC.30 /20.16.042 /2011-12 dated September 5, 2011](#) to submit to Credit Information Companies (CICs) the following information:

- (i) Quarterly list of suit filed accounts of Rs.1 crore and above, classified as doubtful or loss, and
- (ii) List of suit filed accounts of wilful defaulters of Rs.25 lakhs and above, as at end-March, June, September and December, every year.

Further, CICs have also been advised to disseminate credit information covering data supplied by banks/FIs on such suit-filed accounts on their respective websites.

6. The present procedure related to reporting of data on defaulters and wilful defaulters to RBI as described in paragraph 4 above and dissemination thereof by RBI is in offline mode and hence there is a time lag in disseminating consolidated information on the borrowers. This procedure predates the enactment of Credit Information Companies Act, 2005 (CICRA), when there was no system of centralised credit information on borrowers. With the establishment of the four CICs, a system of centralised credit information is currently in place and banks/FIs already have a system of reporting credit information to the CICs. However the databases of the CICs are not adequately populated with commercial borrowers' data. Therefore, in terms of paragraph 2(iii) of the [circular DBOD.CID.BC.127/20.16.056/2013-14 dated June 27, 2014](#) on 'Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures', banks/FIs have been advised to report data in respect of their corporate borrowers to the CICs in a timely manner and CICs may populate their databases with commercial data records within six months.

7. In view of the above and after examining the recommendations of the Committee, it has been decided to implement the following measures with regard to reporting and dissemination of information on defaulters/wilful defaulters:

- i Banks/FIs may continue to furnish the data on wilful defaulters (non-suit filed accounts) of Rs. 25 lakhs and above for the quarter ending June 30, 2014 and September 30, 2014 to RBI. Similarly, in respect of defaulters (non-suit filed accounts) of Rs. 1 crore and above, they may continue to submit the data to RBI for the half year ending September 30, 2014 in the existing format.
- ii In terms of Credit Information Companies (Regulation) Act, 2005, banks/FIs are advised to furnish the aforementioned data in respect of wilful defaulters(non-suit filed accounts) of Rs. 25 lakhs and above for the quarter ending December 31, 2014 and the data on defaulters(non-suit filed accounts) of Rs. 1 crore and above for the half year ending December 31, 2014 to CICs and not to RBI. Thereafter, banks/FIs may continue to furnish data in respect of defaulters/wilful defaulters to CICs on a monthly or a more frequent basis. This would enable such information to be available to the banks/FIs on a near real time basis.
- iii In order to facilitate banks/FIs to furnish the above data in respect of defaulters/wilful defaulters, CICs are advised to make necessary changes in the commercial data format so that all the fields viz. Director's Name and type (whether Nominee or Independent director), DIN No., Address, date of classification of default, etc. in the existing format used for submitting data to RBI are captured. [cf. paragraph 2 (iii) of our circular as referred to in paragraph 6 above]

8. Other terms and conditions of the aforementioned circulars on defaulters and wilful defaulters will remain unchanged.

Yours faithfully,

(Sudarshan Sen)
Chief General Manager