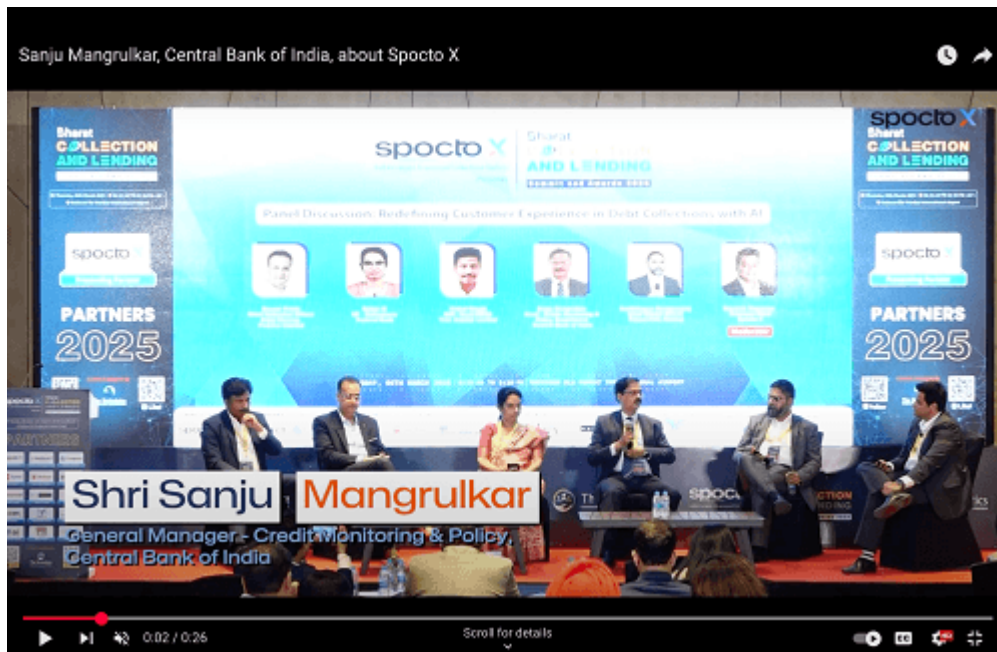


# Public Sector Banks Embrace AI-driven Debt Collection with Spocto X, Boosting Recoveries by 60 Percent

Category: Business

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- Public Sector Banks (PSBs) are adopting AI-powered digital collections platforms to overhaul legacy processes, reduce NPAs, and improve borrower engagement.
- Spocto X's AI-driven platform has enabled banks to cut bounce rates by 25-30%, optimize recovery strategies, and ensure regulatory compliance.
- At the Bharat Collections & Lending Summit, a senior executive of Central Bank of India, revealed their SMA ratio dropped from 8% to 3% after integrating with Spocto X, calling it a **"transformative breakthrough."**

Public Sector Banks (PSBs) are rapidly embracing AI-powered

digital solutions to revolutionize debt collections, driven by the urgent need to reduce Non-Performing Assets (NPAs) and enhance recovery outcomes. Leading this transformation is [Spocto X](#)-a Yubi Company-whose advanced AI platform has delivered measurable results for institutions like the Central Bank of India, as highlighted at the recent Bharat Collections and Lending Summit.



**Sanju Mangrulkar, Central Bank of India, about Spocto X**

Youtube link: [www.youtube.com/watch?v=phcqUwnQnSI](https://www.youtube.com/watch?v=phcqUwnQnSI)

At the summit, **Shri Sanju Mangrulkar, General Manager of Credit Monitoring & Policy at Central Bank of India**, revealed a dramatic improvement in the bank's Special Mention Account (SMA) ratio following the deployment of Spocto X's technology. *"After integrating Spocto X's AI-driven solutions, our SMA ratio dropped from 8% in 2024 to just 3% as of February 2025. This underscores the transformative potential of digital tools in reshaping debt recovery,"* he stated.

**Gaurav Kumar, CEO of Spocto X**, emphasized, *"Our technology isn't just about automation-it's about redefining borrower engagement. With hyper-personalized strategies and seamless integration, we're helping PSBs achieve private-sector-level*

*efficiencies. Recent RFP wins with three major PSBs further validate our leadership in AI-driven collections."*

Facing persistent challenges such as high NPAs-reportedly 40% higher in PSBs compared to private banks, per [RBI data-public sector](#) institutions are now adopting AI, machine learning, and hyper-personalized engagement strategies pioneered by fintech innovators. These technologies enable early borrower outreach, dynamic risk profiling, and optimized repayment plans, significantly improving recovery rates.

Spocto X's platform leverages predictive analytics, smart automation, and regulatory-compliant workflows to empower lenders. Its AI agents analyze borrower behavior, predict default risks, and deploy tailored interventions, reducing [operational costs by up to 57% while boosting](#) recovery efficiency.

While legacy systems and rural connectivity hurdles persist, regulatory support for digitization-including RBI guidelines promoting ethical AI use-is accelerating adoption. Spocto X's success in mitigating these challenges has positioned it as a preferred partner for institutions navigating this transition.

As PSBs continue integrating advanced platforms, experts predict a narrowing efficiency gap with private banks, bolstering India's financial ecosystem. Spocto X's role in this shift [highlights the critical intersection of innovation](#) and scalability in driving systemic resilience.

### **About Spocto X – A Yubi Company**

Spocto X, part of the Yubi Group, is a leading end-to-end debt collections platform powered by AI agents, revolutionizing collection mechanisms for [banks and consumers](#) worldwide. Spocto X has prevented over 9 Crore accounts from becoming non-performing assets, saving INR 50,000 Crores+ in expected credit losses. With 50+ top financial institutions as clients and a MENA [presence headquartered in Dubai International](#)

[Financial Centre](#) (DIFC), Spocto X is at the forefront of innovation.

[Yubi Group](#) is the world's only technology company powering the end-to-end debt lifecycle, facilitating over ₹1,50,000 Cr in debt volumes, reducing collections costs by 57%, and fostering inclusivity and transparency in the financial ecosystem. Together, Yubi and Spocto are democratizing capital flow and reshaping the future of finance.

Learn more at [www.spocto.com](http://www.spocto.com).

