

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

LOK SABHA

UNSTARRED QUESTION NO: 2696

ANSWERED ON:09.12.2011

RECOVERY OF LOANS

LAL CHAND KATARIA

(a)whether the Central Information Commission (CIC) has directed the Reserve Bank of India (RBI) to make public the names and other details of the top industrial houses of the country who have defaulted on loans from the said banks;

(b)if so, the reaction of the Government thereto alongwith the progress made in regard to making public such defaulters;

(c)whether the Government proposes to amend the relevant statutes, including banking laws to deal with problem of recovery of loans/bad loans; and

(d)if so, the details thereof alongwith the other remedial measures taken/ being taken by the Government/RBI/public sector banks (PSBs) for recovery of loans/bad loans?

Will the Minister of FINANCE be pleased to state:-

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): Yes Sir. The Reserve Bank of India (RBI) has informed that in respect of information sought by an appellant regarding details of default in loans taken from public sector banks by industrialists, including top 100 defaulters, with name of the businessman, address, firm name, principal amount, interest amount, date of default and date of availing loan, the Central Information Commission (CIC), in their decision dated November 15, 2011, have, inter-alia, directed the Reserve Bank of India to display this information on its website, in fulfillment of its obligations under Section 4 (1) (b) (xvii) of the RTI Act. RBI has been given time upto December 10, 2011 to comply with the order of the CIC.

(c) & (d): To improve the health of financial sector, to reduce the NPAs, to improve asset quality of the banks and to create a good recovery climate, RBI and the Government have already taken various steps over the years, which, inter-alia, include prescribing prudential norms for provisioning and classification of non-performing assets, guidelines for prevention of slippages, Corporate Debt Restructuring and other restructuring schemes, One Time Settlement schemes, enactment of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, the Credit Information Companies (Regulation) Act, 2005 and the Recovery of Debts due to Banks and Financial Institutions (DRT) Act, 1993 and Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI), which has been operationalised w.e.f. 31st March, 2011.