

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:35  
ANSWERED ON:25.02.2000  
DEBT RECOVERY TRIBUNALS  
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**Will the Minister of FINANCE be pleased to state:**

- (a) the details of Debt Recovery Tribunals set up to recover outstanding loans advanced by banks;
- (b) the amount of total outstanding loans of banks at the time of setting up these Debt Recovery Tribunals and at present;
- (c) the number of cases disposed of by each Tribunal since its inception and the amount so far recovered;
- (d) the reasons for failure of Debt Recovery Tribunals to recover outstanding loans as expected; and
- (e) the steps the Government propose to take to improve the performance of Debt Recovery Tribunals through out the country?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) Twelve Debts Recovery Tribunals (DRTs) at Calcutta, Delhi, Bangalore, Jaipur, Ahmedabad, Chennai, Guwahati, Patna, Jabaipur, Mumbai, Hyderabad and Ernakulam and two Debts Recovery Appellate Tribunals (DRATs) at Mumbai and Chennai have been established under the Recovery of Debts Due to banks and Financial Institutions Act, 1993 (DRT Act) so far and three DRTs at Chandigarh, Cuttack and Allahabad and three DRATs at Calcutta, Delhi and Allahabad are under process of being set up to recover outstanding loans advanced by public sector banks.

(b) and (c) As on August 1, 1993, 10595 suits filed cases of Rs. 10 lacs and above (involving total amount of Rs. 6738 crores) were pending in respect of public sector banks (PSBs), in various Courts before setting up of DRTs. RBI have reported that as on 31.3.1999, 21781 cases involving total amount of Rs. 17921 crores have been transferred from various High Courts to DRTs or filed with it upto 31.3.1999 by the banks. Tribunal-wise position of number of cases, as on 30.9.1999, disposed of and amount recovered since its inception in respect of PSBs and financial institutions (combined) as reported by DRTs is given below:-

Sl.No.	Name of the Tribunal	No. of cases disposed of	Amount Recovered
30.9.99 (Rs. in crores)			
1	2	3	4
1.	Calcutta	857	59.24
2	Delhi	1214	106.43
3.	Bangalore	2334	258.77
4.	Jaipur	1432	161.31
5.	Ahmedabad	420	58.53
6.	Chennai	1229	162.46
7	Guwahati	51	1.43
8.	Patna	126	10.93
9.	Jabaipur	270	0.81
10.	Mumbai	Recently set up	-
11.	Hyderabad	Recently set up	â€”
12.	Ernakulam	Recently set up	-

(d) and (e) The performance of the Debts Recovery Tribunals (DRTs) has been affected on account of certain court cases, including the one in Delhi High Court declaring the DRT Act unconstitutional and void. The Government has however filed an Special Leave Petition in the Hon'ble Supreme Court and DRTs are functioning under the stay order granted by the Supreme Court against the Order of Delhi High Court. DRTs have now started showing results. Government is setting up five more DRTs and four more Appellate Tribunals in addition to 10 DRTs and one DRAT proposed originally. Two of these DRTs at Hyderabad and Ernakulam and one DRAT at Chennai have been established. To ensure expeditious adjudication and recovery of dues of banks and financial institutions, remove legal anomalies and strengthen the Recovery Tribunals, amendments have been carried out in the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 by promulgation of an Ordinance on 17.1.2000. Some of these amendments are as under :-

- (i) set-off and counter claims, appointment of Receivers and Commissioners by the Tribunal, transfer of cases from one Tribunal to another and appointment of more than one Recovery Officer in a Tribunal;
- (ii) empowering the Tribunals to issue certificate for recovery of enhanced or reduced amount on the basis of the final order of the Appellate Tribunal;
- (iii) empowering the Chairperson of the Appellate Tribunal to appraise the work of Presiding Officers of Tribunals and discharge functions of the Chairperson of another Appellate Tribunal;
- (iv) the transfer of recovery certificate from one Tribunal to another Tribunal to facilitate recovery;
- (v) empowering the Tribunals to distribute sale proceeds among the secured creditors in accordance with the provisions of section 529 A of the Companies Act.