

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:182
ANSWERED ON:04.08.2000

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Will the Minister of FINANCE be pleased to state:

- (a) the total amount of non-performing assets of each Public Sector Bank, as on March 31, 2000, bank-wise;
- (b) the amount of NPA recovered and written off, separately, by these banks during each of the last three years, bank-wise;
- (c) whether any directions have been issued by the Government to all public sector banks to settle the dues with leading defaulters or file cases against them by September, 2000;
- (d) whether the Government also, propose to attach the properties of banks loan defaulters; and
- (e) if so, the details thereof and the action plan prepared by the Government to recover the bad loans?

Answer

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

(a) to (e) A statement is laid on the Table of the House.

Statement Non-Performing Assets

(a) As reported by the Reserve Bank of India (RBI), a statement indicating the gross and net non-performing assets of public sector banks as on 31st March, 2000 bank-wise is given at Annexure I.

(b) Based on the information furnished by the RBI, a statement indicating the amount recovered and compromise/written off during the last three years from 1996-97, 1997-98 and 1998-99 (latest available) is given at Annexure 'II'.

(c) Pursuant to discussions involving the Government, RBI and the Chief Executives of Public Sector Banks earlier and on 13th June, 2000 the RBI have issued guidelines on 27th July, 2000 for recovery of dues relating to Non-Performing Assets of public sector banks. The guidelines inter-alia provide that in cases in which the outstandings exceeds Rs. 5 crore and where restructuring is not feasible or the defaulters have not come up for one time settlement, suits must be filed by 31st October, 2000. The guidelines cover NPAs relating to all sectors but exclude cases of wilful defaults, fraud and malfeasance. The banks are taking action for recovery of their dues in accordance with their existing policy, and guidelines issued by RBI on 27.7.2000.

(d) and (e) Provisions have been made in the recently amended Recovery of Debts Due to Banks and Financial Institutions Act, 1993 for attachment of defaulters' property/ assets before judgement, appointment of receiver of any property of the defaulters before or after grant of recovery certificate and realisation of bank dues by sale of assets of defaulters to facilitate recovery.