

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5143
ANSWERED ON:11.05.2007
ASSET RECONSTRUCTION COMPANIES
Khaire Shri Chandrakant Bhaurao;Meghwal Shri Kailash

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is considering to remove the legal hurdles faced by the Asset Reconstruction Companies (ARCs) for converting bad loan into equities as reported in the Economic Times dated March 28, 2007;
- (b) if so, the details thereof;
- (c) whether any safeguards against misuse by ARCs has been considered;
- (d) if so, the details thereof; and
- (e) if not the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

- (a) to (e) : The information is being collected and will be laid on the Table of the House.