

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5218
ANSWERED ON:27.08.2010
AMOUNT WRITTEN OFF BY BANKS
Choudhary Shri Harish;Mahendrasinh Shri Chauhan

Will the Minister of FINANCE be pleased to state:

- (a) whether the public Sector Banks have written off any amount during the last three years and the current financial year;
- (b) if so, the details thereof, bank-wise alongwith the names of such companies/individuals whose amount has been written off of fifty crore or more;
- (c) whether the prescribed procedure has been adopted to write off such amounts;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the action taken / being taken by the Government in this regard?

Answer

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

(a) & (b): The bank-wise details of amount written-off by public sector banks for the last three years are at Annex. In accordance with the practices and usages customary amongst the banks and in conformity with provisions of statutes governing the financial institutions as also the provisions of the Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, such information relating to details of companies / individuals are not divulged by banks.

(c) to (e): Banks may decide to write- off a loan in terms of their credit / recovery policy as approved by their Board of Directors. However, certain broad guidelines have been given from time to time by Reserve Bank of India (RBI), requiring the banks to apply due-diligence, exhaust all possibilities of recovery, monitoring of such accounts, and delegation of powers etc. relating to writing-off of loans.