

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2500
ANSWERED ON:07.12.2012
OUTSTANDING NPAS
Yadav Shri Hukamdeo Narayan

Will the Minister of FINANCE be pleased to state:

- (a) the reasons for Reserve Bank of India (RBI) not generating data in respect of persons who took the benefit of NPA and got their loan written off more than once;
- (b) whether any enquiry Committee has been constituted by the Government in this regard;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the action taken/proposed to be taken by the Government in this regard?

Answer

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

(a) to (d): As per the extant policy, the desired information in respect of persons who took the benefit of Non Performing Assets (NPAs) and got their loan written off more than once, is presently not collected by the Reserve Bank of India (RBI) from banks.

However, as per the provisions of Credit Information Company (Regulation) Act, 2005, a Credit Information Company (CIC) can collect, process and collate information on trade, credit and financial standing of the borrowers of the credit institution which is a member of that CIC and provide credit information to the specified users (banks / financial institutions). A CIC may require its members being credit institutions to furnish such credit information as it may deem necessary in accordance with the provisions of this Act. Every credit institution which is member of the CIC shall on receipt of notice provide credit information to the CIC of which it is a member. Similarly, whenever a member bank receives an application from a borrower or prospective borrower for grant of some credit facility, it can seek the credit information report from a CIC for better credit appraisal and thus reducing the chances of loans turning into NPA.