

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:441  
ANSWERED ON:26.04.2013  
DEBT RECOVERY TRIBUNALS QUESTION  
Mahendrasinh Shri Chauhan

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of the Debt Recovery Tribunals (DRTs) set up by the Government to recover outstanding debts due to banks and financial institutions in the country;
- (b) the total amount of outstanding debts of banks involved during each of the last three years, tribunal and bank-wise;
- (c) the number of cases disposed of/pending by each tribunal since its inception and the amount recovered during the last three years and the current year;
- (d) whether the Debt Recovery Tribunals have been able to recover the outstanding debts due to banks and financial institutions and if so, the details thereof and if not, the reasons therefor; and
- (e) the steps taken/proposed to be taken by the Government to improve the performance of Debt Recovery Tribunals throughout the country?

**Answer**

MINISTER OF FINANCE ( SHRI P. CHIDAMBARAM )

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

STATEMENT AS REFERRED TO IN REPLY TO PARAS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 441 FOR 26th APRIL 2013/6 VAISAKHA, 1935 (SAKA) REGARDING DEBT RECOVERY TRIBUNALS.

(a) to (c) In pursuance of provisions of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 (RDDBFI Act), 33 Debts Recovery Tribunals (DRTs) and 5 Debts Recovery Appellate Tribunals (DRATs) have been established in various parts of the country for expeditious adjudication and recovery of debts due to Banks and Financial Institutions. The details of DRTs/ DRATs are at Annexure I. The disposal of cases by the DRTs, the amount involved in these cases and the amount outstanding during the last 3 years and current year is as under:

Period	Cases disposed off	Amount involved	No. of cases disposed in	Amount of Pending Debt
	cases (in crore)	(in crore)	involved	
2010	11801	21079	37616	113081
2011	12122	21155	54061	146180
2012	9125	16078	41205	130815
2013 (till March)	2642	4439	40866	141386

As per information available, the DRT wise disposal of cases and amount involved for the years 2006-07 onwards and pendency as on date is given in Annexure II.

Bank wise categorisation of cases is not maintained by the DRTs.

(d) & (e) Yes Sir. As per the information provided by RBI, the cumulative amount so far recovered by the Scheduled Commercial Banks (SCBs) through DRTs as on 31.3.2012 is Rs.33104.76 crore.

To improve functioning of the DRTs, the Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012 has been enacted, inter-alia, amending the RDDBFI Act. Salient features of these amendments are as under:

(a) Multi-State co-operative banks have been included in the definition of `bank`

(b) The Debts Recovery Tribunals have been empowered to pass an order acknowledging settlement or compromise between the

banks/financial institutions and the borrower;

(c) If any application filed before the Tribunal for recovery of any debts is settled prior to commencement of hearing or at any stage of proceedings before the final order is passed, the applicant may be granted refund of fee paid by him at such rates as may be prescribed.

(d) A time limit of 30 days has been fixed for filing the written statement by the defendants provided that one or two further extension may be allowed, in exceptional cases and in special circumstances, to be recorded in writing by the Presiding Officer.

(e) The number of adjournments allowed in a case have been restricted to three to a party and if there are three or more parties, the total number of such adjournment should not exceed six.

Besides the above, various administrative steps have been taken to remove the bottlenecks in speedy disposal of cases in DRTs, which are as under:

(i) The concept of an Annual Conference of the Chairpersons and the Presiding Officers of DRATs/DRTs has been introduced wherein all issues/problems before the DRTs are discussed and remedial measures suggested,

(ii) Regular Meetings with Registrars of DRTs/DRATs are held to address the administrative & logistics issues.

(iii) Meeting with Recovery Officers are held on regular basis for speedy disposal of recovery cases.

(iv) DRTs are holding Lok Adalats on regular basis to expedite the disposal of cases.

(v) Regular Training of Registrars and Recovery Officers is conducted.