

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:180
ANSWERED ON:12.12.2003
BANK LOAN DEFAULTERS
V. VETRISLVAN

Will the Minister of FINANCE be pleased to state:

- (a) Whether Reserve Bank of India has asked the banks to take immediate action against the defaulters in the payment of loan taken by them from the banks;
- (b) if so, the number of defaulters identified by banks as on June, 2003 having outstanding amount of Rs.1 crore or more;
- (c) the number of defaulters against whom action has been taken so far;
- (d) the amount of loan recovered from them; and
- (e) the steps taken in respect of remaining defaulters?

Answer

MINISTER OF FINANCE (SHRI JASWANT SINGH)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c) & (d) OF LOK SABHA STARRED QUESTION 180 FOR 12TH DECEMBER, 2003 REGARDING BANK LOAN DEFAULTERS.

(a): Reserve Bank of India has been instructing banks from time to time to take action against loan defaulters.

(b) and (c): As on September 30, 2003 (latest available) there were 10322 defaulters to banks/Financial Institutions with outstanding balance of Rs.1 crore and above in accounts classified as `doubtful` or `loss`. Suits have been filed in respect of 7946 such cases.

(d): The Banks have recovered an amount of Rs.23,182 crores from NPA (Non-Performing Assets) accounts during 2002-2003.

(e): Banks resort to action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and/or try to persuade the borrower to agree to Compromise Settlement in cases where rehabilitation/restructuring of the account is not possible.