

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

STARRED QUESTION NO:162
ANSWERED ON:29.11.2002
ONE TIME SETTLEMENT OF BANK LOANS
P.C. THOMAS;UMMAREDDY VENKATESWARLU

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether Reserve Bank of India has given instruction to all public sector and scheduled banks to give benefit of one time settlement to small traders below Rs. 25,000 and below Rs. 50,000 for agricultural loanees;
- (b) if so, the details thereof;
- (c) the number of cases alongwith the amount so settled under both the schemes till date, bank-wise;
- (d) whether the banks are reluctant to give benefit of this scheme to the poor farmers and loanees; and
- (e) if so, the action taken to give publicity to this scheme and to see that the banks do implement this scheme properly?

Answer

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH):

- (a) to (e) A Statement is placed on the Table of the House.

Statement

(a) and (b) Yes, Sir. The salient features of guidelines formulated by Reserve Bank of India (RBI) for recovery of all loan accounts with outstanding balance upto Rs. 25,000 and Rs. 50,000 respectively are given in Annexure-I.

(c) to (e) The bank-wise number of settlements approved under the scheme for small borrowers and the amount thereunder, as furnished by Indian Banks Association (IBA), are given in Annexure-II. As regards the Special One-Time Settlement Scheme for Small and Marginal Farmers upto Rs. 50,000, banks do not have any performance to report as on 31st March, 2002, as the scheme was announced on 22nd March, 2002 towards the end of the financial year 2001-02. However, most banks have reported that they have adopted the scheme and have advised their branches for implementation of the same.