

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:919
ANSWERED ON:28.07.2000
RECOVERY OF LOANS
ASHOK KUMAR PATEL

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government propose to give extensive powers to the banks to increase recovery of the loans;
- (b) if so, the details thereof;
- (c) the time by which powers are likely to be provided; and
- (d) the extent of which the recovery of loans by banks is likely to increase as a result thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) to (d) The power of recovery of loans which have become overdue are powers available with the banks and are not required to be given by the Government to the banks. However, in order to accelerate the process of recovery in relation to non performing assets, action has been initiated by RBI to put in place a scheme of a non-discriminatory and non- discretionary nature for one time settlement of NPAs upto a limit of Rs. 5 crores. It is expected with the scheme coming into force the process of recovery will gain significantly.