

**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**RAJYA SABHA**  
**QUESTION NO 09.11.2010**  
**ANSWERED ON**  
**REPORT OF COMMITTEE ON NPAs OF BANKS .**

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Shri Rajeev Chandrasekhar

Will the Minister of FINANCE be pleased to state :-

- (a) whether it is a fact that a committee headed by a Deputy Governor of the Reserve Bank of India (RBI) was recently constituted to look into the ever increasing Non-Performing Assets (NPAs) in Banking sector and to suggest measures to reduce the NPAs;
- (b) if so, the details thereof;
- (c) whether the committee has since submitted its report; and
- (d) if so, the salient features of its recommendations, and if not, by when the committee would submit its report to Government or RBI?

**ANSWER**

The Minister of State in the Ministry of Finance

(Shri Namo Narain MEena)

(a) & (b): The Government had constituted a Committee of Experts under the Chairmanship of Shri Vepa Kamesam, Ex-Deputy Governor of Reserve Bank of India with following terms of reference:

(i) Assessment of the need for and details of a separate statute to govern the constitution and functioning of Serious Fraud Investigation Office (SFIO);

(ii) The nature and details of the legislative changes as may be required in existing laws, to enable effective functioning of SFIO including prosecution of offences detected by it;

(iii) The mechanism for referral of cases to SFIO and coordination of activities of SFIO with other agencies / organisations of the Central and State Governments, including investigating;

(iv) Powers of SFIO and its investigation officers;

(v) Specification of offences and penalties to enable effective conduct of investigation agencies and the need for Special Courts for trial of Corporate fraud cases; and

(vi) Other matters consequential to or in pursuance of the above.

(c) & (d): Yes, Sir. The Committee submitted its report in April, 2009. The Committee, inter-alia, recommended various measures for making SFIO more effective in containing corporate frauds.