

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO: 187
TO BE ANSWERED ON THE 15th DECEMBER, 2017 / AGRAHAYAN 24, 1939 (SAKA)

QUESTION
CORPORATE DEBT RESTRUCTURING NORMS

187: SHRI A. ARUNMOZHITH EVAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the banks have asked the Reserve Bank of India and the Government to tweak the Corporate Debt Restructuring (CDR) norms such as allowing turfing out the management and changing the covenants of loan agreements;
- (b) if so, the details thereof;
- (c) whether the bankers want the reversal of 15 years old CDR mechanism to solve the Rs. 7 crore toxic debt problem; and

ANSWER

To be answered by
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(d) if so, the details thereof?

(a) to (d): As per information received from Public Sector Banks (PSBs), they have not asked the Reserve Bank of India and the Government to tweak the Corporate Debt Restructuring (CDR) norms.

PSBs have apprised that with introduction of other restructuring schemes like Strategic Debt Restructuring Scheme for Sustainable Structuring of Stressed Assets, etc., CDR mechanism has lost significance and is no longer preferred.
