

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO: 6599
TO BE ANSWERED ON THE 6th APRIL, 2018/CHAITRA 16, 1940 (SAKA)

QUESTION
NEGOTIATED SETTLEMENT OF NPAs

6599:

DR. RATNADE (NAG):
SHRI RAMESH CHANDER KAUSHIK
DR. MAMTA ZANGHAMITA:

SHRI SANTOSH KUMAR
SHRI HARI OM PANDAY

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has any proposal to give a chance of One Time Settlement (OTS) or a monthly payments system to Non-Performing Asset (NPA) holders;
- b) if so, the details thereof, with particular reference to Bihar, West Bengal and Uttar Pradesh;
- c) whether the banks are being told to coordinate with loan defaulters especially which are willing to pay it with a little bit concession; and
- d) if so, the details thereof along with the list of nodal officers being deputed to handle the NPA issues of banks?

ANSWER

To be answered by

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHIV PRATAP SHUKLA)

(a) to (d): In the context of banks' efforts to eliminate or reduce Non-Performing Assets (NPAs) through persuasion by way of compromises or negotiated settlements, the Reserve Bank of India (RBI) has advised banks to have, *inter-alia*, a loan recovery policy prepared and duly vetted by their Board of Directors. As per available record, no instructions regarding change of banks' OTS or a monthly payment system to NPA account holders, or coordinating with loan defaulters especially which are willing to pay it with a little bit of concession has been issued by the Government.
