

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO- †2622

ANSWERED ON MONDAY, MARCH 17, 2025/PHALGUNA 26, 1946 (SAKA)

SETTLEMENT OF PETTY CASES IN COURTS

†2622. SHRI GAJENDRA SINGH PATEL
SHRI BHOJRAJ NAG
SHRI BIPLAB KUMAR DEB

Will the Minister of FINANCE be pleased to state:-

(a) the steps taken by the Government and RBI to enable banks to settle petty cases ongoing in courts; and

(b) the details of the progress of such cases made so far specially with reference to the State of Tripura?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) and (b): Reserve Bank of India (RBI) issued 'Guidelines for Compromise Settlement of Dues of Banks & FIs through Lok Adalats' in 2001, wherein it advised banks to make increasing use of the forum of Lok Adalats to settle banking disputes involving amount up to Rs.5 lakh. The said monetary ceiling was enhanced to Rs. 20 lakh in 2004. Lok Adalat is one of the alternative dispute redressal mechanisms, where disputes/cases pending in the court of law or at pre-litigation stage are settled/ compromised amicably. Lok Adalats have been given statutory status under the Legal Services Authorities Act, 1987.

As per RBI data, during the financial year 2023-24, 1,26,92,211 cases were referred to Lok Adalats by SCBs and SCBs have realised Rs. 3,325 crore in these cases.

As per inputs received from the State Level Bankers' Committee (SLBC), Tripura, 4,223 cases each having outstanding of up to Rs 20 lakhs and with the aggregate outstanding of Rs. 30.55 crore were settled by banks through Lok Adalats in Tripura during the last three financial years.
