

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO †926
TO BE ANSWERED ON THE 4th DECEMBER, 2015 / AGRAHAYANA 13, 1937 (SAKA)

QUESTION
ONE TIME LOAN SETTLEMENTS

†926: SHRI SADASHIV LOKHANDE

Will the Minister of FINANCE be pleased to state:

- (a) the number of one time loan settlements made by the nationalised and private banks in the country during each of the last three years and the current year, State-wise including Maharashtra;
- (b) the amount of loans granted/received by the nationalised/private banks under the one time loan settlements during the said period, State-wise including Maharashtra;
- (c) whether the said arrangements were in accordance with the RBI criteria for one time loan settlements; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) & (b): The amount of one time loan settlements including write off done and gross advances/credit by Public and Private Sector Banks (bank-wise) in the country during the last three years as collated and available with the Reserve Bank of India (RBI) is as per Annex. This information is collated by RBI annually.

(c) & (d): RBI has deregulated the matters related to One Time Settlement (OTS)/Compromise Settlements vide DBOD.BP.BC.81/21.01.040/95 dated July 28, 1995. Banks are autonomous bodies and are free to engage in OTS/Compromise Settlements with borrowers as per their Board approved internal policy, their commercial judgment and extant regulatory guidelines..

RBI has issued the following circulars in this regard:

- i) DBOD.No.LEG.BC.114/09.06.002/2000-01 dated May 2, 2001 – Guidelines for compromise settlement of dues of banks and financial institutions through Lok Adalats.
- ii) DBOD.No.BC.36/09.06.002/2001-02 dated October 24, 2001 - Guidelines for compromise settlement of dues of banks through Lok Adalats.
- iii) DBOD.No.LEG.BC./21/09.06.002/2004-05 dated August 3, 2004 – Guidelines for compromise settlement of dues of banks and financial institutions through Lok Adalats Enhancing the ceiling from Rs. 5 lakh to Rs. 20 lakh.
- iv) DBOD.No.BC.34/21.04.048/2007-08 dated October 4, 2007 – Guidelines on purchase/sale of Non Performing Assets
- v) DBOD.No.BC.55/21.04.117/2007-08 dated November 30, 2007- Guidelines on settlement of Non Performing Assets – Obtaining Consent Decree from Court.
- vi) DBOD.No.BC.112/21.04.048/2009-10 dated June 21, 2010 – Compromise/Negotiated/One Time settlement of Non Performing Assets – Appending of certificate that the compromise settlements are in conformity with the RBI guidelines.

ANNEX TO QUESTION NO. 926

PUBLIC SECTOR BANKS AND PRIVATE SECTOR BANKS - WISE DATA ON ONE TIME SETTLEMENTS INCLUDING WRITE OFFS (Rs. in Crore)

Bank Name	Mar-12	Mar-13	Mar-14	Mar-15
Allahabad Bank	1,001	1,352	782	2,109
Andhra Bank	169	334	263	1,124
Bank of Baroda	1,215	2,356	964	1,564
Bank of India	2,415	2,415	1,767	801
Bank of Maharashtra	395	663	401	264
Bharatiya Mahila Bank Ltd.			0	0
Canara Bank	1,460	1,535	1,591	1,472
Central Bank of India	629	1,061	1,995	1,386
Corporation Bank	565	709	463	779
Dena Bank	194	237	479	515
IDBI Bank Limited	319	383	1,393	1,609
Indian Bank	506	520	628	550
Indian Overseas Bank	1,166	1,642	1,474	3,131
Oriental Bank of Commerce	933	1,416	1,252	925
Punjab & Sind Bank	39	50	204	263
Punjab National Bank	126	997	1,947	6,587
Syndicate Bank	891	1,297	1,025	1,527
UCO Bank	391	617	1,423	1,401
Union Bank of India	938	1,129	913	931
United Bank of India	233	1,094	481	761
Vijaya Bank	214	543	296	791
State Bank of Bikaner & Jaipur	275	463	399	363
State Bank of Hyderabad	265	343	31	355
State Bank of India	744	5,594	13,177	21,313
State Bank of Mysore	165	275	403	740
State Bank of Patiala	120	28	463	755
State Bank of Travancore	182	176	196	526
Public Sector Banks	15,551	27,231	34,409	52,542
Catholic Syrian Bank Ltd.	33	26	1	111
City Union Bank Ltd.	52	102	133	148
Dhanlaxmi Bank Limited	2	1	70	180
Federal Bank Ltd.	108	11	468	233
ING Vysya Bank Ltd.	52	69	52	363
Jammu & Kashmir Bank Ltd.	114	87	7	25
Karnataka Bank Ltd.	203	192	146	219
Karur Vysya Bank Ltd.	16	137	69	151
Lakshmi Vilas Bank Ltd.	11	28	231	15
Nainital Bank Ltd.	4	0	0	0
Ratnakar Bank Ltd.	0	18	1	5
South Indian Bank Ltd.	26	144	164	43
Tamilnad Mercantile Bank Ltd.	48	48	30	276
Axis Bank Ltd.	666	800	896	1,210
DCB Bank Ltd	37	66	125	47
HDFC Bank Ltd.	941	1,136	1,429	1,840
ICICI Bank Ltd.	1,183	1,646	2,177	1,696
IndusInd Bank Ltd.	71	144	181	602
Kotak Mahindra Bank Ltd.	99	133	206	99
Yes Bank Ltd	26	107	74	53

Private Sector Banks	3,696	4,896	6,462	7,318
<i>Source: Off-site Baalance sheet analysis returns as reported by banks, global operations</i>				