

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
STARRED QUESTION NO: *49
TO BE ANSWERED ON THE 20th JULY, 2018/ASHADHA 29, 1940 (SAKA)

QUESTION
RESTRUCTURING OF LOANS

***49: DR. ANSHUL VERMA:**

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has restructured the loans of wilful defaulters during each of the last three years and the current year and if so, the details thereof, State/UT and bank-wise;
- b) the details of criteria/norms followed by the banks in restructuring of loans of wilful defaulters;
- c) whether cases of deviation/violation of the said criteria/norms by banks in restructuring of loans of wilful defaulters have come to the notice of the Government during the said period and if so, the details thereof, bank-wise;
- d) whether the Non-Performing Assets (NPAs) of banks have touched an alarming level due to such restructuring of loans of wilful defaulters during the said period; and
- e) if so, the details thereof along with the remedial measures taken by the Government in this regard, bank-wise?

ANSWER
FINANCE MINISTER
(SHRI PIYUSH GOYAL)

(a) to (e): A statement is laid on the Table of the House.

Statement as referred to in reply to paragraphs (a) and (e) of Lok Sabha starred question no. *49 for answer on 20th July, 2018/Ashadha 29, 1940 (Saka) by Dr. Anshul Verma regarding Restructuring of Loans

(a) to (e): As per the instructions of the Reserve Bank of India (RBI), wilful defaulters are ineligible for restructuring. However, in cases where the existing promoters are replaced by new promoters, and the borrower company is totally delinked from such erstwhile promoters/management, lenders may take a view on restructuring such accounts based on their viability, without prejudice to the continuance of criminal action against the erstwhile promoters/management.

Public Sector Banks have informed that loans of wilful defaulters have not been restructured during the last three financial years and the first quarter of the current financial year.
