

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO: 28
TO BE ANSWERED ON THE 11th DECEMBER, 2018/AGRAHAYANA 20, 1940

QUESTION
DISCLOSURE OF NAMES OF LOAN DEFAULTERS BY RBI

28. SHRI HUSAIN DALWAI:

Will the Minister of FINANCE be pleased to state:

- a) whether RBI has complied with Supreme Court's direction and CIC directive to disclose details of wilful loan defaulters of public sector banks;
- b) if so, names of top 100 defaulters, banks from which loans taken, loan amounts, date of availing loan, date of default, action taken and amount recovered in each case;
- c) if RBI has not complied so far, specific reasons therefor and State legal provisions which prevent such disclosure;
- d) whether such non-disclosure by RBI tantamounts to contempt of court; and
- e) if so, whether Ministry will intervene to ensure that details are disclosed; if not, the reasons therefor?

ANSWER

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

(a) to (e): Reserve Bank of India (RBI) has informed that it had received an order dated 20.8.2018 from CIC asking RBI to explain the action taken or contemplated to be taken to recover loans from wilful defaulters of Rs. 50 crore and above, and that the order also stated that if RBI could not submit any part of the information, it may explain why it should not be directed to publish the details of information sought including the names of wilful defaulters.

RBI made its submissions before CIC *vide* letter dated 19.9.2018, giving details of its existing guidelines to banks for declaring borrowers as wilful defaulters, as also the action required to be taken against such wilful defaulters. As regards disclosure of wilful defaulters, RBI submitted to CIC that it was collecting data of wilful defaulters up to September 2014, that from December 2014 onwards this information is being collected and disseminated by Credit Information Companies (CICs), and that some part of information is, however, received by RBI as reported by banks in the Central Repository of Information on Large Credits (CRILC) database. Further, it was explained in RBI's submissions to CIC that the provisions of section 45E of the Reserve Bank of India Act, 1934 prohibit RBI from disclosure of credit information. RBI also submitted that in a case pending before the Supreme Court, RBI had submitted a list of defaulters above Rs. 500 crore in a sealed cover claiming that it may not be disclosed, and that the matter is still under the consideration of the Supreme Court.

RBI has further informed that the above submissions were not considered favourably by CIC, and CIC issued a Show Cause Notice cum Order dated 2.11.2018 and subsequently another Order dated 16.11.2018. RBI has informed that it has since approached the High Court of Bombay for grant of *ad interim* relief in the matter.
