

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**UNION FINANCE MINISTER ASKS THE CHAIRPERSONS OF DEBT RECOVERY APPELLATE TRIBUNALS (DRATs) AND PRESIDING OFFICERS OF DEBT RECOVERY TRIBUNALS (DRTs ) TO SUGGEST WAYS AND MEANS TO EXPEDITE THE UNLOCKING OF RESOURCES OF VARIOUS BANKS**

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The Union Finance Minister Shri Pranab Mukherjee asked the Chairpersons of Debt Recovery Appellate Tribunals (DRATs) and Presiding Officers of Debt Recovery Tribunals (DRTs) to suggest ways and means to expedite the unlocking of resources of various banks locked in the form of Non Performing Assets (NPAs) etc. The Finance Minister Shri Mukherjee said that there can be no lending unless there is recovery. But today, the Banks are facing the problem of increasing NPAs which needs to be addressed on priority, the Minister added. He said that the Government has advised the Bankers to closely monitor their NPAs. He further said that the role of DRTs is all the more important in helping out the banks to deal with the mounting NPAs/loss assets as they are the part of mechanism for recovery of loss assets. The Union Finance Minister Shri Mukherjee was addressing the First Conference of the Chairpersons of DRATs and Presiding Officers of DRTs here today.

The Finance Minister Shri Mukherjee asked the Chairpersons and Presiding Officers to deliberate and discuss in detail during their one-day Conference and give their concrete suggestions which would go a long way in improving the functioning of DRATs and DRTs. Along with the Chairpersons of DRATs and Presiding Officers of DRTs, the Conference was also attended by Shri D.K.Mittal, Secretary, Department of Financial Services, Ministry of Finance and other senior officers of his Department.

The Union Finance Minister Shri Mukherjee said that this Conference is being held at a time when the Indian economy is facing various challenges. He suggested that he has full faith in the capacity and abilities of our people as well as in the resilience of the Indian economy to overcome successfully such challenges. The Finance Minister Shri Mukherjee said though it is a matter of great concern that there is a slow down in the GDP growth rate beside having higher current account and fiscal deficit yet there is no need to press the panic button. He said that he is confident that through patience, deligence, competence and capacity of our businessmen, small and medium entrepreneurs, workers and economic experts, we would be able to overcome these challenges successfully as we have done in the past many times. Highlighting the positive aspects of Indian economy, the Finance Minister said that basic fundamentals of our economy are strong, rate of saving and investment from domestic sectors are also high beside reversal in the tight monetary policy among others. Therefore, the Finance Minister said that he is fully confident that the objective of taking the economy back to the path of higher growth, maintaining moderate rate of inflation, narrowing down the gap of current account deficit and restricting the fiscal deficit to 2 per cent of GDP are very much achievable. He said that during the international financial crisis, the role of banks is very important. He said that due to well placed regulatory mechanism and its effective and efficient functioning in the country, our

banks were not adversely affected during the international crisis of 2008-09. Rather they helped in minimising the impact of international crisis on our economy, the Minister added.

The Union Finance Minister Shri Pranab Mukherjee said that DRTs can ensure the effective and speedy recovery of public money. Keeping in view this important aspect that the Recovery of Dues due to the Banks and Financial Institutions Act, 1993 (RDDBFI Act) prescribed that it should be the endeavour of the Tribunals to decide the case in 180 days, the Minister said. He said that DRTs have not been able to adhere to this time line. The Finance Minister Shri Pranab Mukherjee said that it is informed that the pendency of cases in the Tribunals is about 67,000 cases involving an amount of Rs.136 lakh Crore as on 31.03.2012. He said that this is a matter of great concern.

The Finance Minister Shri Mukherjee said that pendency of cases has increased and there is need to increase the pace of disposal by DRTs. He said that there is delay at times as the Banks representatives do not submit complete documents or seek adjournments. He said that there is need for proactive action/approach to be taken by the Banks. He further said that some of the DRTs may be over burdened due to increased number of filing of cases or their large jurisdictions. Therefore, the Finance Minister Shri Mukherjee said that there is a need to look into the territorial jurisdiction of the existing DRTs. He said that there is also need to rationalise and if considered absolutely necessary, the setting-up of additional Tribunals can also be considered.

The Finance Minister Shri Pranab Mukherjee said that the steps are being taken to remove the bottlenecks and thereby improve the performance of the DRTs. He said that we are also taking legislative measures considered necessary. In this regard, he mentioned about the Bill which has been introduced in the Parliament for amendment of SARFAESI Act and RDDBFI Act.

The Finance Minister Shri Mukherjee asked the participating officials to give a serious thought to the aspect of judicial accountability and suggest ways and means to achieve higher accountability, appropriate control and effective supervisory mechanism. He further asked all the participants to give a serious thought to the challenges before them and suggest measures to deal with this situation. The Finance Minister assured full support of the Government to the practicable recommendations of the Conference.

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