

Bad-debt buyers see good times

As RBI Governor Rajan cleans up India's banks

Bloomberg January 20, 2016 Last Updated at 23:51 IST



India's biggest buyers of bad loans are predicting record business for the industry this quarter as central bank incentives prod banks to speed up efforts to cut stressed assets. Reserve Bank of India (RBI) Governor Raghuram Rajan set lenders a March 2017 deadline to clean up their balance sheets and gave those completing a deal by this March consent to spread losses from the distressed-asset sale over two years. The measures may encourage disposal of bad debts worth as much as Rs 40,000 crore (\$5.9 billion) before April, according to Edelweiss Asset Reconstruction, the top ...