

Call to empower RBI to name defaulters who owe more than Rs. 1 crore

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Thiruvananthapuram, December 5: The All India Bank Employees Association (AIBEA) has demanded that the Centre empower the Reserve Bank of India to publish the list of defaulters who owe the banks in excess of Rs. 1 crore.

This is one of the demands listed in the Budget wishlist submitted by the association, which claims to represent the interests of a million employees working in public sector banks, private banks, foreign banks, regional rural banks and cooperative banks.

List of defaulters

A defaulters' list should be published every six months with updates. Wilful defaulters should be prohibited from contesting elections – local, State legislature or Parliament. Those holding high office should be asked to relinquish their positions.

Fast-track courts should be vested with more powers to recover bad loans and stringent laws enacted to ensure more recovery. Asset reconstruction companies should be closed down; instead, focus should be on recoveries.

Banks should be advised to institute a separate vertical, headed by a General Manager, for the recovery of “prudentially written off/technically written off accounts”, said CH Venkatachalam, General Secretary, AIBEA.

The association has further demanded that details of such recovery should be placed before the boards of the banks and submitted to the Ministry of Finance on a quarterly basis.

Laws should be amended to confiscate the assets of directors in case of default by a company, AIBEA demanded.

Periodical reviews should be initiated to identify persons whose debts/loans have been written off with interest. Corporate houses raising external commercial borrowings should be monitored to check if rules have been adhered to.