

RBI yet to clarify role of CDR cell on debt recast

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The CDR cell's website is also not available at the moment. (PTI)

The corporate debt restructuring (CDR) cell has sent another request to the Reserve Bank of India ([RBI](#)) seeking clarity on its role following the central bank's February 12 circular, sources told FE.

“The cell had written to RBI a couple of months ago and since it has not replied, we have sent another request,” an official said. The central bank had withdrawn all restructuring schemes through its February 12 circular.

In May, FE had reported that the cell wrote to RBI seeking clarity on its new areas of work after the circular, but the central bank has not yet responded. One of the primary concerns raised by the cell in its conversations with the regulator is around the status of the companies which have undergone successful CDR restructuring but have not yet exited the cell.

The CDR cell's website is also not available at the moment.

Since inception in 2001, the cell has approved loans worth Rs 4 lakh crore. In FY17, lenders had referred just one loan — Gangakhed Sugar & Energy worth Rs 350 crore — to the cell in January, taking the total referral since inception to Rs 4.74 lakh crore. Prior to that, banks had last referred a loan in March 2015, following which restructuring rules changed, and banks have since stayed away from the CDR cell.

Latest available data showed that the cell had Rs 1.48 lakh crore of live cases —companies whose debt have been recast but are yet to exit the cell — as on August 30, 2017. In the same period, loans worth Rs 1.69 lakh crore have failed at the cell.

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