

[1st March, 2005]

RAJYASABHA

(b) Government of India and Reserve Bank of India have stipulated certain steps for recovery of loans which *inter-alia* include evolving and implementing a recovery policy by banks, filing of suits in civil courts/ DRTs, compromise settlement and monitoring and follow up of NPAs at various levels. Credit Information Bureau has been set up to disseminate information on borrowers among the banks. Corporate Debt Restructuring (CDR) scheme has been put in place to provide a transparent mechanism for restructuring of corporate debts of viable entities facing problems due to internal and external factors. Asset Reconstruction Company (India Ltd.) has been incorporated for the purpose of addressing Non-performing Assets. The recent amendment of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has further strengthened the recovery process of the Banks.

(c) The recovery of outstanding amount is a continued process and banks are making concerted efforts to recover their dues through various means including the legal means available to them.

SC's Ruling on Power of States to Levy Luxury Tax

57. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the recent Supreme Court ruling that States cannot impose luxury tax on goods like cigarettes, ghutkas, etc.;

(b) if so, how the loss being suffered by the States by non-mopping up of luxury tax amounting to about Rs. 2500/- crores is likely to be offset;

(c) what is the reaction of Government thereto; and

(d) whether a revision petition is proposed to be filed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI S. S. PALANIMANICKAM). (a) Yes, Sir.

(b) to (d) Luxury Tax on goods was levied by State Governments. Therefore, any action in this regard is to be taken by the State Governments.