

also take into account technical and financial feasibility while taking the decision to deploy. Banks review ATM performance from time to time.

**NPA resolution through one time settlement (OTS)**

2474. SHRI V. VIJAYASAI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India (RBI) is reviewing the top 500 exposures of banks that are partly or wholly classified as NPAs;

(b) whether it is a fact that Reserve Bank of India has stated that it would prefer One Time Settlement (OTS) to lengthy legal process;

(c) the steps RBI will take to ensure and facilitate OTS implementation; and

(d) the deadline set by RBI in reduction of NPAs cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) to (d) Reserve Bank of India (RBI) has constituted an Internal Advisory Committee (IAC), which arrived at an objective, non-discretionary criterion for referring accounts for resolution under Insolvency and Bankruptcy Code (IBC). In particular, the IAC recommended for IBC reference all accounts with fund and non-fund based outstanding amount greater than ₹5000 crore, with 60% or more classified as non-performing by banks as of March 31, 2016.

Accordingly, Reserve Bank of India has issued directions to certain banks for referring 12 accounts, qualifying under the aforesaid criteria, to initiate insolvency process under the Insolvency and Bankruptcy Code, 2016. As regards the other non-performing accounts which do not qualify under the above criteria, the IAC recommended that banks should finalize a resolution plan within six months. In cases where a viable resolution plan is not agreed upon within six months, banks should be required to file for insolvency proceedings under the IBC.

RBI has deregulated the matters related to One Time Settlement (OTS)/Compromise Settlements vide RBI circular dated July 28, 1995. RBI has provided framework under which banks frame their own board approved policy for One Time Settlements (OTS)/Compromise settlements.

**Soaring Fiscal Deficit by states**

2475. SHRI V. VIJAYASAI REDDY Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the sum total of States Fiscal Deficits has reached ₹ 4,93,000 crores in the fiscal 2016;