

• **TOP STORIES**

## **Loan write-off: Loanees granted another opportunity**

**Page NO.22 Col NO.01**

- The Supreme Court on Thursday granted another opportunity to the persons who had got their loans written off to decide about the options for the payment of outstanding loans by August 16. At the outset of the hearing, Chief Justice Mian Saqib Nisar asked the counsel for the loan defaulters to sit with the banks' representatives in the Supreme Court Library and inform how many of them like to select 'option 1' or 'option 2'.

After the break, the bench was informed that out of 222 persons against whom the commission had given findings for proceeding for the recovery of the outstanding amount, only 38 persons have opted for 'option 1'. The counsels, however, sought more time for making decision about options. The Chief Justice accepting their plea adjourned the hearing until August 16.

The apex court has given loan defaulters two options; first to deposit with this court an amount equal to 75% of the differential between the "amount sanctioned" and "amount recovered". If they do not avail the first option then their cases will be referred to the banking court.

A three-judge bench, headed by Chief Justice Mian Saqib Nisar, was hearing a suo motu case on billions of rupees loans which had been written off in three decades.

A three-member Commission, headed by Justice Syed Jamshed Ali, a former judge of SC, was constituted on 3rd June 2011 for the recovery of written off loans from 1971 onward and to compile a report.

The commission after having considered several hundred cases recommended that 222 cases ought to be taken up for further proceedings. The report not only recommended action against those who got their loans written off but also against the bankers and the officials who helped in getting the loans waived off.

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