

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2741
ANSWERED ON:08.08.2003
NEW BASEL CAPITAL ACCORD
ADHIR RANJAN CHOWDHURY;CHARAN DAS MAHANT;SHYAMA SINGH

Will the Minister of FINANCE be pleased to state:

- (a) whether the RBI has undertaken a study covering all banks in the country to finalise a policy approach for the proposed New Basel Capital Accord;
- (b) if so, the details thereof; and
- (c) to what extent New Basel Capital Accord system is going to improve banking image in other countries ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) & (b) : Yes Sir. Reserve Bank of India (RBI) has undertaken a study to finalise policy approach to the proposed New Basel Capital Accord. RBI is collecting information from other banks and a detailed study of the data would be undertaken before finalizing the policy approach.

(c): The main objective of New Basel Capital Accord is expected to collectively contribute to the safety and soundness in the financial systems across the world. These would improve the comfort level of banks across the world to deal with those banks which have implemented the New Accord.