

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2903
ANSWERED ON:26.11.2010
BANKING LICENCE
Krishnaswamy Shri M.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has issued banking licence to new companies and industrial houses in the recent past;
- (b) if so, the details thereof;
- (c) whether the RBI has completed the process of framing guidelines / eligibility criteria for issuing fresh banking licence to private players;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the steps taken / being taken by the Government in this direction?

Answer

The Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) to (e): The Hon`ble Finance Minister in his budget speech 2010-11 had mentioned that Reserve Bank of India (RBI) would be considering giving some additional licenses to private sector players. Accordingly, RBI studied the international practices and examined their experience with licensing of 12 new private sector banks consequent to guidelines issued in 1993 and 2001. Based on the above study, RBI prepared and placed a discussion paper on its website inviting comments / feedback on certain aspects from the stake holders and public on 11.08.2010. Discussions with stakeholders were held on October 7 & 8, 2010. The comments / suggestions received and views of the stakeholders are being examined by RBI after which final guidelines would be issued.