

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2293
ANSWERED ON:12.08.2011
MONITORING BY RBI
Sinh Dr. Sanjay;Vasava Shri Mansukhbhai D.

Will the Minister of FINANCE be pleased to state:

- (a) whether Reserve Bank of India (RBI) monitors the compliance of directives relating to annual financial inspection of banks;
- (b) if so, the details thereof and finding thereof during the last three years;
- (c) the names of banks which failed to comply with the directives during the same period and licenses cancelled in this connection; and
- (d) the reasons for not taking appropriate action in rest of the cases?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (d): Reserve Bank of India (RBI) regulates and supervises all Scheduled Commercial Banks under the statutory provisions as prescribed in the Reserve Bank of India Act, 1934 and Banking Regulations Act, 1949 and through guidelines, directions etc. issued from time to time. The banks are also required to comply with the directives and other guidelines issued by RBI. Banks' compliance to the RBI guidelines / directives are being verified among other aspects on a sample basis as a part of the on-site inspection and also from the off-site returns submitted by them.