

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:715  
ANSWERED ON:01.03.2013  
SUPERVISORY COLLEGE  
Nirupam Shri Sanjay Brijkishorilal

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Reserve Bank of India (RBI) has set up / proposes to set up supervisory colleges for various banks in the country including State Bank of India (SBI);
- (b) if so, the details along with its objectives thereof; bank-wise; and
- (c) the likely benefits of these supervisory colleges particularly in establishing a cooperation mechanism for cross border supervision?

**Answer**

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

(a) & (b): Reserve Bank of India (RBI) has set up Supervisory Colleges for State Bank of India and ICICI Bank Ltd. The objective of these Supervisory Colleges is to deal with supervisory issues revolving around the bank/s and establish a cooperation mechanism for cross-border supervision. The overarching objective of a Supervisory College is to help its members develop a better understanding of the risk profile of the banking groups. Information exchange and co-operation can help strengthen the supervision of the individual components of a banking group. It serves as a platform for supervisors and banks to deliberate on important aspects such as Governance, risk management practices and related supervisory issues as well as create an environment for exchange of views.

(c) The first meeting of these colleges was held on December 03-04, 2012 at Mumbai. The Forum was utilized to discuss the issues/concerns evolving out of the functioning of these two banks both in India and overseas jurisdictions.

RBI was able to obtain first hand views of the overseas supervisors about the functioning of branches of these two banks in their respective jurisdictions.

The overseas supervisors were also able to appreciate the prudential regulatory and supervisory approach adopted by RBI in supervising these two banks.