

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:446
ANSWERED ON:06.12.2013
ANNUAL INSPECTION OF BANKS
Khaire Shri Chandrakant Bhaurao

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) monitors compliance of its guidelines by the banks by conducting their annual financial inspection;
- (b) if so, the details thereof;
- (c) the names of the banks which have not complied with the RBI's guidelines during the last three years; and
- (d) the details of action taken against such banks including cancellation of licenses during the said period?

Answer

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

- (a) & (b): Reserve Bank of India has informed that banks are required to adhere to various guidelines issued by RBI from time to time and compliance thereof, as is required, is examined during the Annual Financial Inspection of banks undertaken by the RBI.
- (c) & (d): RBI has reported that non-compliance with the guidelines/ instructions of RBI are monitored by RBI and in case of violation of these guidelines / instructions is noticed, RBI takes appropriate action including advising the banks to rectify deficiencies and report compliance thereof and penalising by way of monetary penalties. RBI has reported that no action by way of cancellation of licence has been taken during the period on these grounds.