

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:304  
ANSWERED ON:20.11.2009  
COMMITTEE ON FINANCIAL SECTOR REFORMS  
Gowda Shri D.B. Chandre;Rathod Shri Ramesh

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

- (a) the details of recommendations of the High Level Coordination Committee on Financial Sector headed by Shri Raguram Rajan alongwith the status of action taken by the Union Government on each such recommendation;
- (b) whether consensus has not emerged on some of the recommendations of the Committee;
- (c) if so, the details thereof; and
- (d) the steps taken or proposed to be taken by the Government in this regard?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d): The Committee on Financial Sector Reforms under the Chairmanship of Shri Raghuram Rajan has made wide ranging recommendations on macro-economic framework & financial sector development, broadening access to finance, creating more efficient financial markets, building a growth-friendly regulatory environment and a robust infrastructure for credit. Some proposals require more discussions and deliberations such as consolidation & merger of banks, greater participation of foreign investors in domestic financial markets and bringing regulation of trading under a single regulator, etc. However there are other proposals on which action has already been taken. These include freeing banks to set up ATMs anywhere, liberalizing the banking correspondent model, expediting the process of creating a Unique ID Number, etc. In addition, the RBI has set up Working Groups to examine, inter-alia, liberalization of interest rates, liberalization of branch licensing policy and trading in Priority Sector Lending Certificates to ensure greater flow of credit to the poor.