

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA  
UNSTARRED QUESTION NO. 2862

TO BE ANSWERED ON THE 02<sup>ND</sup> DECEMBER, 2016/ AGRAHAYANA 11, 1938 (SAKA)

**INVESTIGATION AGAINST WAIVER OF LOANS**

2862. SHRI HARISHCHANDRA CHAVAN:

SHRI LAXMI NARAYAN YADAV:

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has conducted any review/ investigation into the waiver off loans by the Reserve Bank of India (RBI)/bank-board;
- b) if so, the details and outcome of the review/investigation;
- c) whether banks have the right to protest against the decisions taken by their boards/RBI board regarding write off loans; and
- d) if so, the details thereof and the reaction of the Government in this regard?

ANSWER  
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI SANTOSH KUMAR GANGWAR)

(a) to (d): Reserve Bank of India (RBI) undertakes Annual Financial Inspection (AFI) of the Scheduled Commercial Banks (SCBs) in which the functioning of the banks including decisions relating to write-offs of loans are reviewed. The AFI is a confidential exercise by RBI to assess the performance of the banks. Banks have a right to represent to RBI on AFI related issues.

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