

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO.1688

TO BE ANSWERED ON THE 10th March 2017/ Phalguna 19, 1938 (SAKA)

Review of Financial Sector

QUESTION

1688. SHRI NANA PATOLE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) proposes to review the condition of financial sector to further liberalise the banking sector;
- (b) if so, the details thereof;
- (c) whether the companies applied for banking licences have expressed any objection to RBI guidelines to open 25 per cent of their branches in rural areas; and
- (d) if so, the details thereof along with the steps taken by the Government in this regard?

ANSWER

The Minister of State in the Ministry of Finance
(SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): Based on the experience of licensing two universal banks in 2014 and that of granting in-principle approvals for Small Finance Banks and Payments Banks, the Reserve Bank finally released guidelines for 'on tap' Licensing of Universal Banks in the Private Sector on August 1, 2016.

(c) & (d): No such objection has been received by RBI from the companies / persons who applied for banking licence under section 22 (1) of the Banking Regulation Act, 1949, to whom the in-principle approvals were issued for licensing of small finance banks and payment banks.
