

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

UNSTARRED QUESTION NO.1091

TO BE ANSWERED ON THE 21ST July 2017/ Ashadha 30, 1939 (SAKA)

Regulatory Action against Banks

1091. SHRI P.V. MIDHUN REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether several banks are facing regulatory action in the face of worsening of financial ratios; and
- (b) if so, the details thereof?

ANSWER

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

(a) & (b): Yes. Reserve Bank of India (RBI) has revised the existing Prompt Corrective Action (PCA) framework effective from April 01, 2017. Under the framework four indicators viz. Capital to Risk Weighted Assets Ratio (CRAR), Common Equity Tier (CET) 1 Ratio, Net Non-Performing Asset (NPA) Ratio and Return on Assets are monitored against defined triggers. Leverage ratio is monitored additionally as part of the framework.
