

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA  
STARRED QUESTION NO. \*244

TO BE ANSWERED ON DECEMBER 28, 2018/ PAUSHA 7, 1940 (SAKA)

FUNCTIONING OF RBI

\*244. SHRI PRASUN BANERJEE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is not satisfied about the functioning of the Reserve Bank of India (RBI); and
- (b) the details of the process of appointment of Members, particularly Non-Official Directors in the RBI Board?

ANSWER

THE MINISTER OF FINANCE  
(SHRI ARUN JAITLEY)

- (a) and (b): A statement is laid on the table of the House.

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**LOK SABHA STARRED QUESTION NO. \*244 FOR ANSWER ON 28.12.2018,  
REGARDING FUNCTIONING OF RBI, TABLED BY SHRI PRASUN  
BANERJEE**

(a) and (b): No, madam. According to International Monetary Fund's Country Report of January 2018, supervision and regulation by Reserve Bank of India (RBI) remain strong and have improved in recent years.

Non-official Directors on the Central Board of RBI are nominated in terms of the provisions of section 8 of the Reserve Bank of India Act, 1934, which provides that the Central Board shall consist of, besides official Directors,-

- (i) four directors, to be nominated by the Central Government, one from each of the four Local Boards of RBI, and
- (ii) ten directors, to be nominated by the Central Government.

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