

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**

**UNSTARRED QUESTION NO. 4681**

TO BE ANSWERED ON THE 23<sup>RD</sup> MARCH 2020/ CHAITRA 3, 1942 (SAKA)

**Monitoring of Banks under PCA Framework**

4681. SHRI V.K.SREEKANDAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that many public sector undertaking banks were under the monitoring of Prompt Corrective Action (PCA) framework;
- (b) if so, the details thereof;
- (c) whether it is also true that many restrictions were imposed on these banks by the Reserve Bank of India, if so, the details thereof;
- (d) whether it is also true that these banks are making efforts under the PCA and the result is that these banks are showing improvement; and
- (e) if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) to (e): Reserve Bank of India (RBI) has issued a PCA framework to maintain sound financial health of banks and to facilitate banks identified on the basis of monitoring to take timely corrective measures for restoration of financial health. At different points of time over the last six years, RBI has placed thirteen public and private sector banks under the framework.

As a result of efforts made by banks to improve their capital ratios, asset quality and profitability, a number of banks have come out of such placement and, as on date, six public and private sector banks, including four public sector banks, are placed under the framework.

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