

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 4929

ANSWERED ON MONDAY, MARCH 23, 2026/CHAITRA 02, 1948 (SAKA)

Review of the Reserve Bank of India Act

4929. SHRI PARSHOTTAMBHAI RUPALA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is examining the need for a comprehensive review and amendment of the Reserve Bank of India Act to address the evolving complexities of the Indian economy and the current global economic environment, if so, the details thereof;
- (b) whether the Government has assessed instances of regulatory overlap between the Reserve Bank of India and sectoral regulators such as the Securities and Exchange Board of India the Insurance Regulatory and Development Authority of India, and the Pension Fund Regulatory and Development Authority, if so, the details thereof; and
- (c) whether comparative studies of central bank legislation in countries such as New Zealand and Sri Lanka have been undertaken to identify global best practices for possible incorporation into the RBI Act, if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (c): The amendments to existing Acts are considered, based on assessment of evolving landscape, dynamics of the prevailing ecosystem, and to align them with best practices so that the Acts remain relevant, effective and able to address the emerging complexities of the economy. Further, active and engaging consultations with all the relevant stakeholders are carried out, and best practices across other jurisdiction are analyzed, while considering any amendment in existing Acts. It was only after extensive deliberations, the provision related to 'Shifting of submission of Statutory reports by Regulated Entities to Reserve Bank of India (RBI)' in Reserve Bank of India Act, 1934 was recently amended through the Banking Laws (Amendment) Act, 2025.

RBI draws its powers to regulate banks, Non-Banking Financial Companies (NBFCs) and All India Financial Institutions (AIFIs) from various statutes such as BR Act, RBI Act, FEMA Act, SARFAESI Act, etc. In some cases, activities of regulated entities may come within the purview of more than one regulator. Overlapping of regulatory powers of different regulators, if any, are being dealt through mutual consultations and by Financial Stability and Development Council (FSDC)/ its Sub-Committees, comprising all financial sector regulators which provide an institutional platform to resolve any inter-regulatory issues and to ensure consistency and clarity in policies.