

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4056  
ANSWERED ON:18.08.2000  
WORKING OF PRIVATE SECTOR BANKS  
CHANDRA BHUSHAN SINGH

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government had set up an in-house working group to examine the various aspects of working of new private sector banks and to suggest the policy frame work of licensing new banks in the future;
- (b) if so, whether the said in-house working group had submitted its report;
- (c) if so, the details thereof; and
- (d) the total number of applications pending with the RBI to set up new private sector banks in the country?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) to (d) Reserve Bank of India (RBI) had set up an in-house working group of review the policy for licensing of new banks in the private sector and to prescribe fresh guidelines in the light of experience gained so far under the existing licensing policy. The working group has submitted its report. RBI has reported that eleven applications in terms of 1993 guidelines are pending for setting up of new banks in the private sector. Consideration of the pending application for setting up new private sector banks awaits the finalisation of revised guidelines.