

RCAP jurisdictional assessments: self-reporting monitoring template for RCAP follow-up actions

Jurisdiction: India

Status as of: 31 December 2016

With reference to RCAP report(s): Assessment of Basel III risk-based capital and LCR regulations – India (June 2015)

Part A¹

Post-RCAP follow up: Changes applied to local regulations of the Basel Framework relating to risk-based capital standards (RCAP-Capital)

Table A

(1) Issue and/or relevant Basel paragraph number(s)	(2) Detailed description of finding (please indicate as precisely as possible the finding as identified in the relevant RCAP assessment report)	(3) Detailed reference to the domestic legislation/regulation that addresses the finding	(4) Summary description of amendment or rectification made
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¹ To be completed only for those findings where action has been taken or initiated. Any plans for addressing other findings may be indicated in Part B.

Post-RCAP follow up: Changes applied to local regulations of the Basel Framework relating to Liquidity Coverage Ratio (RCAP-LCR)

Table B

(1) Issue and/or relevant Basel paragraph number(s)	(2) Detailed description of finding (please indicate as precisely as possible the finding as identified in the relevant RCAP assessment report)	(3) Detailed reference to the domestic legislation/regulation that addresses the finding	(4) Summary description of amendment or rectification made
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Part B

RBI had rectified majority of the findings raised during the process of RCAP assessment itself. All other findings were assessed as non-material and hence, no further action was warranted.

One of the observations of RCAP capital report was the use of word "may" in India's regulatory documents. RCAP team had appreciated that despite the use of word "may", regulations are considered as binding by regulated entities, However, RCAP capital report had suggested that use of word "must" in line with international practice. RBI has decided that future regulations would consider this aspect and regulatory prescriptions would use the word "shall" appropriately in place of "May"