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RBI to conduct off-site surveillance of NBFCs through WAN

Shri S P Talwar, Deputy Governor, Reserve Bank of India today inaugurated the wide area network (WAN) with video conferencing facility for its Department of Non-Banking Supervision. Congratulating the Department on making a beginning in establishing the WAN, Shri Talwar said that the information technology through WAN should bring the central office and the regional offices closer, facilitate instantaneous and credible communication and help conduct off-site surveillance of non-banking finance companies (NBFCs).

Using the latest technology, the department of non banking supervision's WAN at present connects six major regional offices of the Department of Non-Banking Supervision at Mumbai, New Delhi, Calcutta, Chennai, Bangalore, Hyderabad with the central office in Mumbai. A part of the strategy towards enhancing the efficacy of the supervisory system for NBFCs, the WAN is meant to help conduct off-site surveillance of these companies. The regulatory-cum-supervisory returns to be submitted by NBFCs will now be analysed through computerised processes for various purposes including verification of the regulatory compliance, constant tracking of the financial health of the entities supervised by the Reserve Bank, generating management information system, etc. The video conferencing facilities are expected to enhance the communications between the central and regional offices. The remaining nine regional offices of the department of non-banking supervision will shortly be brought under the WAN. The project was implemented by the department of non-banking supervision in association with various agencies, such as, MTNL, Tata-IBM, Melstar Information Technologies Ltd., Microuniv and Nucleus Software Offshore Pvt. Ltd.

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