

Financial Stability and Development Council (FSDC)

June 30, 2020

- It is a super regulatory body constituted by the government of India which deals with macro prudential and financial regularities in the entire financial sector of India.
- FSDC has replaced the **High Level Coordination Committee on Financial Markets (HLCCFM)**, which was facilitating regulatory coordination, though informally, prior to the setting up of FSDC.
- It is not a statutory body and only a recommendatory body
- **Chairperson:** The Union Finance Minister of India
- **Members:** Heads of the financial sector regulatory authorities (i.e., RBI, SEBI, IRDA, and PFRDA), Finance Secretary and/or Secretary, Department of Economic Affairs (Union Finance Ministry), Secretary, Department of Financial Services, and Chief Economic Adviser. FSDC can invite experts to its meeting if required.
- ***The objectives of FSDC would be to deal with issues relating to:*** Financial stability • Financial sector development • Inter-regulatory coordination • Financial literacy • Financial inclusion • Macro prudential supervision of the economy including the functioning of large financial conglomerates. • Coordinating India's international interface with financial sector bodies such as the Financial Action Task Force (FATF) and Financial Stability Board (FSB).
- FSDC was formed to bring greater coordination among financial market regulators.

