

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1041
ANSWERED ON:23.11.2001
COMMERCIAL BANK OF ETHIOPIA
MOHAN PONNUSWAMY;SUNIL KHAN

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Bank of India has been permitted to take over management of the Commercial Bank of Ethiopia (CBE);
- (b) if so, the details thereof;
- (c) whether all pros and cons before taking over the management of CBE have been duly considered; and
- (d) if so, the time by when it is likely to be done ?

Answer

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

(a) & (b): State Bank of India (SBI) has reported that it had participated in a global bid floated by Commercial Bank of Ethiopia (CBE) for management contract of CBE. The lead was provided by the Embassy of India, Addis Ababa, Ethiopia. SBI's bid was accepted. However, certain terms of specific contract are under negotiation and the arrangement has not yet been finalised. SBI will seek approval of Reserve Bank of India (RBI) after negotiation of various terms of contract are concluded.

(c)&(d): SBI have reported that a detailed due diligence exercise was carried out and all pros and cons of the arrangement have been duly considered. Since the negotiations are still on, the time frame can not be indicated at this stage.