

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:518

ANSWERED ON:03.12.2004

FOREIGN BANKS

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Will the Minister of FINANCE be pleased to state:

- (a) the number of foreign banks operating in India at present;
- (b) whether foreign banks are making much more profits as compared to Indian Banks;
- (c) if so, the reasons therefor;
- (d) the comparative figures of profits and losses of foreign banks vis-a-vis Indian Banks of the last three years, and
- (e) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a) As on 31st October, 2004, 32 foreign banks were operating in India.
- (b) to (e) The details of Operating profit of public sector banks and foreign banks are as under :-

(Rupees in crores)

Bank groups	Operating Profit		
	2001-02	2002-03	2003-04

Public Sector Banks	21676.54	29715.24	39474.72
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Foreign Banks	3513.61	3727.85	4987.40
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The profits of both public sector banks and foreign banks has grown over the years. Govt. is encouraging healthy competition among these groups for better quality banking services to the customers.