

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6912

ANSWERED ON:07.05.2010

MERGER OF BANKS

Das Gupta Shri Gurudas;Paranjpe Shri Anand Prakash;Raghavan Shri M. K.;Sidhu Shri Navjot Singh;Singh Shri Radha Mohan;Singh Smt. Meena;Sugavanam Shri E.G.

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has received any proposal for amalgamation of the Public Sector Banks (PSBs) in the country including merger of all associated banks of SBI Group with State Bank of India (SBI);
- (b) if so, the details thereof;
- (c) the follow-up action taken thereon;
- (d) whether the Government has appointed any Global Consultants for suggesting the possible Public Sector Banks (PSBs) that could be amalgamated;
- (e) if so, the details thereof;
- (f) whether the said consultants have submitted their report to the Government; and
- (g) if so, the details of the main recommendations made therein and the Government's reaction thereto?

**Answer**

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (c): State Bank of India (SBI) had submitted a proposal for acquisition of State Bank of Indore, an associate bank of SBI, and sought permission to enter into negotiations with it under Section 35(1) of State Bank of India Act, 1955. Government has granted permission to SBI for proceeding with the negotiations with State Bank of Indore for acquiring its business.

(d): No, Sir.

(e) to (g) : Do not arise.