

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5076  
ANSWERED ON:10.12.2010  
FOREIGN BANKS  
Singh Shri Radhey Mohan

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

- (a) the details of the foreign banks operating in India;
- (b) the details of the profits earned by said banks during the last year and the current financial year, bank-wise;
- (c) the percentage profit of India and the concerned foreign country out of the total income of the said banks, Bank-wise; and
- (d) the role of the Reserve Bank of India in controlling of said banks?

**Answer**

The Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

- (a): As on 30.09.2010, 34 foreign banks are operating in India.
- (b): The bank-wise details of profit earned / loss incurred by foreign banks during the year 2009-10 are at Annex.
- (c): Reserve Bank of India (RBI) has informed that it does not have any information in this regard.
- (d): Foreign banks undergo the same rigorous supervision that other Indian commercial banks are subjected to. RBI supervises all commercial banks which include branches of foreign banks operating in India through on-site inspection and off-site monitoring through various returns obtained from banks. Any foreign bank desirous of having maiden presence in India needs to obtain a licence under Section 22 of the Banking Regulation Act, 1949. The banks have to take permission from RBI for appointment of its Chief Executive Officer before commencement of business by the office. The banks are also required to comply with the directives and other guidelines issued by RBI.