

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4890
ANSWERED ON:02.09.2011
OPENING OF BANKS BRANCHES ABROAD
Banerjee Shri Ambica

Will the Minister of FINANCE be pleased to state:

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- (a) whether the Indian Banks are facing difficulties in opening their branches in Singapore while the Indian Government is giving approval easily to Singaporean banks to open branches in India;
- (b) if so, the details thereof; and
- (c) the action taken / being taken by the Government with the Government of Singapore in this regard under the India-Singapore Comprehensive Economic Co-operation Agreement (CECA)?

Answer

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

(a) to (c): India and Singapore entered into Comprehensive Economic Co-operation Agreement (CECA), which among other areas covered banking sector. Under this Agreement, India has committed for allowing opening of 15 branches of Singapore banks over a period of 4 years whereas Singapore had agreed to give three Qualifying Full Banking (QFB) Licences to Indian banks. Since the operationalisation of CECA, India has granted 11 approvals (10 approval to DBS Bank and 1 approval to United Overseas Bank) to Singapore based banks. From Singapore side, State Bank of India and ICICI Bank have been granted QFB licences.