

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2941
ANSWERED ON:24.07.2009
BILATERAL AGREEMENT BETWEEN BANKS
Satpathy Shri Tathagata

Will the Minister of FINANCE be pleased to state:

- (a) whether State Bank of India has signed an agreement with Italian Bank for closer co-operation recently;
- (b) if so, the details thereof; and
- (c) the extent to which it would help the customers of both the countries?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): State Bank of India (SBI) has, on the 26th June, 2009, signed a Cooperation Agreement with Banca Popolare Di Vicenza (BPV), an Italian bank, on a non-exclusive basis.

(c) Bilateral agreements by banks with their correspondents enhance business flow through them to the mutual benefit of the concerned banks and their customers. BPV bank is predominantly concentrated in the north Italian district of Vicenza having a large concentration of units specialising in engineering, textiles, clothing, leather, tanning, gold jewellery, food processing industries, oil and Gas equipment and Defence equipment sector, which also forms bulk of the imports from Italy to India. Many of these units bank with BPV. With the signing of this agreement, SBI would be better placed to service the importers / exporters with a direct link to their bankers.