

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:56
ANSWERED ON:08.08.2012
PSBS FUNCTIONING ABROAD
Joshi Shri Pralhad Venkatesh

Will the Minister of FINANCE be pleased to state:

- (a) the number of branches of public sector banks functioning abroad as on date, country-wise;
- (b) whether most of the public sector banks functioning abroad are incurring losses;
- (c) if so, the details thereof;
- (d) the measures adopted/proposed to be adopted by the Government to transform these banks into profit earning entities;
- (e) the number of foreign banks presently functioning in the country, Statewise and bank-wise;
- (f) whether there is any proposal for opening of more branches of foreign banks in the country; and
- (g) if so, the details thereof?

Answer

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

(a): As on 01.08.2012, 12 Public Sector Banks (PSBs) are operating 151 branches at overseas centres. The country-wise details of the branches of PSBs at overseas centres is at Annex-I.

(b) and (c) : No Sir. The Reserve Bank of India (RBI) has informed that none of the PSBs functioning abroad having overseas operations reported loss for the financial year 2011-12. However, 8 overseas branches of 3 PSBs (Bank of Baroda-5, State Bank of India-2 and UCO bank-1) have reported loss at the end March, 2012.

(d): The Government has advised the PSBs operating their branches at Overseas Centres to strengthen the mechanism for evaluation of performance of overseas offices in order to achieve the optimum utilization of capital in their offices. These banks have also been advised to review the performance of their overseas offices on some select performance parameters on a quarterly basis

(e): As on 01.08.2012, 41 Foreign Banks are operating 324 branches in India. The bank-wise and State-wise details of the branches of Foreign Banks presently functioning in the country is at Annex-II.

(f): RBI has recommended to the Government the proposals of 3 Foreign Banks for opening a branch each in India