

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. †4654

TO BE ANSWERED ON THE 23rd MARCH 2018 / CHAITRA 2, 1940 (SAKA)

Foreign Banks

†4654: SHRI SADASHIV LOKHANDE:

Will the Minister of FINANCE be pleased to state:

- (a) the number of foreign banks operating in the country at present;
- (b) the comparative details of the profit and loss accounts of foreign banks and Indian banks during the last three years;
- (c) whether the foreign banks are earning heavy profits in comparison to Indian banks and if so, the reasons therefor; and
- (d) the reaction of the Government thereon?

ANSWER

The Minister of State in the Ministry of Finance
(SHRISHIV PRATAP SHUKLA)

- (a): As per information received from the Reserve Bank India (RBI), as on 28.2.2018, 45 foreign banks were operating in India.
- (b): As per information received from RBI, the aggregate net profit after taxes reported by Scheduled Commercial Banks (SCBs) to RBI for the financial years 2014-15 to 2016-17 for foreign banks were Rs. 36,559 crore and for SCBs other than foreign banks were Rs. 1,38,715 crore.
- (c) and (d): Foreign banks are earning higher profit in comparison to Indian banks. This is primarily on account of the role played by them in cross-border transactions and their higher fee income from the same.
