

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1484**

ANSWERED ON – 14/3/2023

**Privatisation of Public Sector Banks**

1484. **Shri Jawhar Sircar:**

Will the Minister of FINANCE be pleased to state:

- (a) whether any of the Public Sector Banks is being considered for privatisation when they are not making losses now;
- (b) the amount expected from their sale;
- (c) the improvements that are expected from privatisation which cannot be achieved under the present dispensation; and
- (d) whether the principle of selling capital assets to finance current revenue deficits is considered prudent?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(DR. BHAGWAT KARAD)

(a) to (d): In the Union Budget for the financial year 2021-22, Government's intent to take up privatisation of two Public Sector Banks and approval of a policy of strategic disinvestment of Public Sector Enterprises (PSEs) was announced. As per the highlights of the policy, the objectives of the policy include enablement of growth of public sector enterprises through infusion of private capital, thereby contributing to economic growth and new jobs, and financing of social sector and development programmes of the Government.

In strategic disinvestment, the strategic buyer brings in new funds, technology and improved management practices for optimum development of business potential and growth. The growth post-disinvestment may generate higher economic activity and contribute to the economic growth of the country.

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