

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA

UNSTARRED QUESTION NO. 238

ANSWERED ON TUESDAY, DECEMBER 2, 2025/11 AGRAHAYANA, 1947 (SAKA)

DECLINING GOVERNMENT SHAREHOLDING IN PUBLIC SECTOR BANKS

238 SHRI K.R.N. RAJESHKUMAR:

Will the Minister of FINANCE be pleased to state:

- (a) the number and details of Public Sector Banks and the extent of the Union Government's current shareholding in each of these banks;
- (b) the details of the shareholdings of the Union Government in each of these banks since 2020, year-wise and bank-wise;
- (c) the reasons for the decline in Government shareholdings in Public Sector Banks; and
- (d) whether Government has assessed the impact of privatization on rural and semi-urban branch presence?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d): The details of the 12 Public Sector Banks (PSBs) and holding of number of shares of the Union Government in each of these banks and their respective percentage holding out of total shares issued by the respective bank, since 2020, is at Annex. The holding of number of shares of Union Government in each of these banks have not declined since 2020.

However, even though the number of shares held by the Union Government have not declined, the respective percentage of shareholding of the Union Government has declined in some of these banks, due to raising of capital through issuance of fresh shares by banks. Fresh capital is raised by the banks to meet their capital requirement for business growth and maintaining regulatory requirement. Such capital raising reduces fiscal burden on the Government and strengthen the balance sheet of banks. Banks are also required to ensure compliance of minimum public shareholding requirement of 25% under Rule 19A of the Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the New PSE policy for Atmanirbhar Bharat issued by the Department of Investment and Public Asset Management (DIPAM), recommendations shall be made by NITI Aayog with regard to Central PSEs under Strategic Sectors, which includes the Banking, Insurance and Financial Services Sector, and recommendations shall be considered and Central PSEs to be, *inter alia*, retained under Government control or considered for privatisation or merger or subsidiarisation with another PSE shall be approved by an Alternative Mechanism that has been approved by the Government. It is pertinent to mention that the ease of access to banking services in rural and semi urban areas has been strengthened by ensuring that each of the inhabited village in the country is covered within banking outlet (Bank branch/ BC/IPPB) within a radius of 5-kilometre. 99.91% of villages are covered with banking outlet.

Annexure mentioned in reply to Rajya Sabha Unstarred Question No. 238, dated 2.12.2025

Annexure

| | Number of shares outstanding of the Union Government, as on | % holdin g out of total shares issued by the bank | Number of shares outstanding of the Union Government, as on | % holdin g out of total shares issued by the bank | Number of shares outstanding of the Union Government, as on | % holdin g out of total shares issued by the bank | Number of shares outstanding of the Union Government, as on | % holdin g out of total shares issued by the bank | Number of shares outstanding of the Union Government, as on | % holdin g out of total shares issued by the bank | Number of shares outstanding of the Union Government, as on | % holdin g out of total shares issued by the bank |
|-----------------------|---|---|---|---|---|---|---|---|---|---|---|---|
| | 31.3.2020 | | 31.3.2021 | | 31.3.2022 | | 31.3.2023 | | 31.3.2024 | | 31.3.2025 | |
| Bank of Baroda | 3,30,81,84,689 | 71.60% | 3,30,81,84,689 | 63.97% | 3,30,81,84,689 | 63.97% | 3,30,81,84,689 | 63.97% | 3,30,81,84,689 | 63.97% | 3,30,81,84,689 | 63.97% |
| Bank of India | 2,91,96,90,866 | 89.10% | 2,91,96,90,866 | 89.10% | 3,34,08,61,720 | 81.41% | 3,34,08,61,720 | 81.41% | 3,34,08,61,720 | 73.38% | 3,34,08,61,720 | 73.38% |
| Bank of Maharashtra | 5,38,65,78,326 | 92.49% | 6,12,26,27,927 | 93.33% | 6,12,26,27,927 | 90.97% | 6,12,26,27,927 | 90.97% | 6,12,26,27,927 | 86.46% | 6,12,26,27,927 | 79.60% |
| Canara Bank | 80,89,33,351 | 78.52% | 1,14,17,09,678 | 69.33% | 1,14,17,09,678 | 62.93% | 1,14,17,09,678 | 62.93% | 1,14,17,09,678 | 62.93% | 5,70,85,48,390 | 62.93% |
| Central Bank of India | 5,27,50,14,715 | 92.39% | 5,27,50,14,715 | 89.78% | 8,08,03,91,687 | 93.08% | 8,08,03,91,687 | 93.08% | 8,08,03,91,687 | 93.08% | 8,08,03,91,687 | 89.27% |
| Indian Bank | 5,08,08,023 | 83.46% | 99,45,49,600 | 88.06% | 99,45,49,600 | 79.86% | 99,45,49,600 | 79.86% | 99,45,49,600 | 73.84% | 99,45,49,600 | 73.84% |
| Indian Overseas Bank | 15,75,29,02,638 | 95.84% | 15,75,29,02,638 | 95.84% | 18,21,83,26,570 | 96.38% | 18,21,83,26,570 | 96.38% | 18,21,83,26,570 | 96.38% | 18,21,83,26,570 | 94.61% |
| Punjab National Bank | 5,60,52,11,223 | 83.19% | 8,05,41,25,685 | 76.87% | 8,05,41,25,685 | 73.15% | 8,05,41,25,685 | 73.15% | 8,05,41,25,685 | 73.15% | 8,05,41,25,685 | 70.08% |
| Punjab & Sind Bank | 58,23,17,742 | 83.06% | 3,93,39,32,610 | 97.07% | 6,65,90,51,093 | 98.25% | 6,65,90,51,093 | 98.25% | 6,65,90,51,093 | 98.25% | 6,65,90,51,093 | 93.85% |
| State Bank of India | 5,07,97,75,288 | 56.92% | 5,07,97,75,288 | 56.92% | 5,07,97,75,288 | 56.92% | 5,07,97,75,288 | 56.92% | 5,07,97,75,288 | 56.92% | 5,07,97,75,288 | 56.92% |
| UCO Bank | 9,36,72,92,970 | 94.44% | 9,36,72,92,970 | 94.44% | 11,40,49,10,524 | 95.39% | 11,40,49,10,524 | 95.39% | 11,40,49,10,524 | 95.39% | 11,40,49,10,524 | 90.95% |
| Union Bank of India | 2,96,92,79,777 | 86.75% | 5,70,66,60,850 | 89.07% | 5,70,66,60,850 | 83.49% | 5,70,66,60,850 | 83.49% | 5,70,66,60,850 | 74.76% | 5,70,66,60,850 | 74.76% |

Source: Banks
