

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

UNSTARRED QUESTION NO. 6475

TO BE ANSWERED ON THE 6TH APRIL 2018/CHAITRA 16, 1940 (SAKA)

Rationalisation of Domestic and Overseas Branches

6475. SHRIMATI K. MARAGATHAM:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has asked the Public Sector Banks (PSBs) to rationalize their domestic and overseas branches as part of the reform process to strengthen their financials, if so, the details thereof; and
- (b) whether the banks have been advised to pursue closure of loss making domestic and international branches as part of capital savings exercises and if so, the details thereof?

ANSWER

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

(a) and (b): A reforms agenda based on recommendations made by Whole-Time Directors and senior management of Public Sector Banks (PSBs) has been referred by the Government to PSBs for appropriate action as per approval of bank Boards. The agenda covers, *inter alia*, rationalisation of overseas operations for cost efficiencies and synergies in overseas markets based on competitive strength and viability, and a differentiated banking strategy to leverage bank's competitive advantage, consolidate operations in the same geography, taking into account operations of other PSBs which may include branch network rationalisation for a strong regional connect.
