

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 5133

To be answered on the April 3, 2023/Chaitra 13, 1945 (Saka)

Privatisation of PSBs

5133. SHRI KARTI P. CHIDAMBARAM:

Will the Minister of FINANCE be pleased to state:

- (a) the names of two Public Sector Banks (PSBs) and one General Insurance Company that the Government intends to privatise as announced in the Union Budget for Financial Year 2021-22;
- (b) the timeline for the disinvestment process, the percentage of Government stake that will be sold and the expected revenue that will be generated therefrom;
- (c) the reasons for the delay in the disinvestment process despite the announcement in the said Union Budget; and
- (d) whether the Government has taken cognisance of expert opinions that all PSBs in the country should be privatised barring the State Bank of India and if so, the reaction of the Government thereto?

ANSWER

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

(a) to (d): In the Union Budget for the financial year (FY) 2021-22, Government's intent to take up privatisation of two Public Sector Banks and one Public Sector General Insurance Company along with approval of a policy of strategic disinvestment of Public Sector Enterprises was announced.

Consideration of issues related to disinvestment and decision on selection, terms and conditions, etc. in case of strategic sale is entrusted to the Cabinet committee designated for this purpose under the Government of India (Transaction of Business) Rules, 1961. The amendments to the relevant Acts are required before initiating the process of privatisation. The necessary legislative amendment to the General Insurance Business (Nationalisation) Act, 1972 has been enacted.

Further, representations, opinions or recommendations on various issues including, *inter alia*, privatisation of PSBs, received by the Government from time to time are suitably examined.
