

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 154

TO BE ANSWERED ON THE 14th September 2020/ Bhadrapada 23, 1942 (SAKA)
Recapitalisation of PSBs

154. SHRI RAJENDRA AGRAWAL:

Will the Minister of FINANCE be pleased to state:

- (a) the amount of money spent for bank recapitalisation of Public Sector Banks (PSBs) under the Mission Indradhanush during the current fiscal year; bank-wise;
- (b) the amount of money raised by the Government for bank recapitalisation of PSBs (PSBs) through issuance of bank recapitalisation Bonds during the current fiscal year;
- (c) whether the Government is mulling over raising Foreign Institutional Investment in PSBs from 20% to 49% for capital mobilization; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) and (b): Indradhanush plan announced in August 2015 envisaged, *inter alia*, infusion of capital in Public Sector Banks (PSBs) by the Government for the period up to the financial year 2018-19. With the envisaged period being over, infusion under Indradhanush plan has been completed.

No amount has been raised by the Government in the current financial year for recapitalisation of PSBs through issuance of recapitalisation bonds.

(c) and (d): No proposal to amend this, is currently under consideration of the Government. As per the proviso to sub-section (2D) of section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, no individual or company resident outside India shall hold shares exceeding 20% of a nationalised bank's paid-up capital.
