

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2220**

TO BE ANSWERED ON THE 8<sup>TH</sup> MARCH 2021/ PHALGUNA 17, 1942 (SAKA)

**Consolidation of PSBs**

2220. SHRI THOMAS CHAZHIKADAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any proposal for consolidation of Public Sector Banks (PSBs) in the country;
- (b) if so, the details thereof including the authority which has given the proposal;
- (c) whether the Government is considering any proposal for privatization of any public sector banks; and
- (d) if so, the details thereof?

**ANSWER**

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

(a) and (b): Government, after considering recommendations and assessments of the bank Boards concerned and input from the Reserve Bank of India, amalgamated with effect from 1.4.2019 Vijaya Bank and Dena Bank into Bank of Baroda, and with effect from 1.4.2020 Oriental Bank of Commerce and United Bank of India into Punjab National Bank, Syndicate Bank into Canara Bank, Andhra Bank and Corporation Bank into Union Bank of India, and Allahabad Bank into Indian Bank.

(c) and (d): Finance Minister in her speech on the Union Budget for the year 2021-22, announced Government's intent to take up the privatisation of two Public Sector Banks in the financial year 2021-22 and approval of a policy of strategic disinvestment of Public Sector Enterprises (PSE). As per the New PSE policy for Atmanirbhar Bharat issued by the Department of Investment and Public Asset Management, 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 retained under Government control or to be considered for privatisation or merger or subsidiarisation with another PSE or for closure shall be approved by an Alternative Mechanism that has been approved by the Government. No proposal is currently under consideration of the said mechanism.

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