

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF PUBLIC ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.2166
TO BE ANSWERED ON 02.08.2021

Amendments to General Insurance Business Act and Banking Companies Act

2166: SHRI RAJA AMARESHWARA NAIK:
SHRI VINOD KUMAR SONKAR:
SHRI RAJVEER SINGH (RAJU BHAIYA):
DR. SUKANTA MAJUMDAR:
DR. JAYANTA KUMAR ROY:
SHRI BHOLA SINGH:
SHRIMATI SANGEETA KUMARI SINGH DEO:

Will the Minister of Finance be pleased to state:

- (a) whether the Government has brought the Department of Public Enterprises under the Ministry;
- (b) if so, the details thereof along with its objectives and likely benefits;
- (c) whether the Government has proposed to bring amendments to the General Insurance business (Nationalisation) Act to enable privatisation of public sector insurance companies and if so, the details thereof;
- (d) whether the Government has also proposed to bring amendments to the Banking companies (Acquisition and Transfer of Undertakings) Act to enable privatisation of Public Sector Banks and if so, the details thereof; and
- (e) the other reforms/legislative steps being taken by the Government in disinvestment process?

ANSWER

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

- (a) Yes, Sir.
- (b) The Government has notified New Public Sector Enterprise (PSE) Policy in February, 2021. The merging of Department of Public Enterprises(DPE) which is the nodal department for Central Public Sector Enterprises with Ministry of Finance will bring about greater synergy in the implementation of new PSE Policy.
- (c) & (d) The Finance Minister, in her speech on the Union Budget for the financial year 2021-22, announced the Government's intent to take up the privatisation of two Public Sector Banks (PSBs) and one General Insurance Company and the introduction of legislative amendments required for this.
- (e) In February, 2021 the government has notified New Public Sector Enterprise (PSE) Policy for Atmanirbhar Bharat as a reform in the disinvestment process. The policy intends to minimise the presence of Government in the PSEs across all sectors of economy. The copy of the policy is available in the website of Department of Investment and Public Asset Management (DIPAM) at <https://dipam.gov.in/strategic-disinvestment>.
