

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 92

ANSWERED ON MONDAY, DECEMBER 1, 2025/AGRAHAYANA 10, 1947 (SAKA)

Acquisition of Banks

92. SHRI V K SREEKANDAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Government has decided to allow foreign firms to gradually acquire Indian banks;
- (b) if so, the details thereof;
- (c) whether it is also a fact that the Government has received any proposals from foreign firms for acquiring majority stake in Indian banks; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d) As per extant guidelines/ Foreign Exchange Management (Non-Debt Instruments) Rules 2019, the Foreign Direct Investment (FDI) limit in Public Sector banks (PSBs) and Private Sector Banks is 20% and 74% respectively. FDI is considered as a major source of non-debt financial resource for the economic development leading to long term sustainable capital in the economy and contributes towards technology transfer, development of strategic sectors, greater innovation, competition and employment creation and supplement domestic capital, technology and skills for accelerated economic growth and development.
