

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
LOK SABHA
UNSTARRED QUESTION NO: 1000
ANSWERED ON:28.11.2014
GOVERNMENT STAKE IN BANKS
ANANT KUMAR DATTATREYA HEGDE

(a) whether the Government proposed to bring down Government stake in Public Sector Banks (PSBs) up in the country to 52%;

(b) whether any estimation has made by the Government that the implementation of the said proposal is likely to help the banks in raising additional capital; and

(c) if so, the quantum of capital estimated to be raised?

Will the Minister of FINANCE be pleased to state:-

ANSWER

The Minister of State in the Ministry of Finance (SHRI JAYANT SINHA)

(a) : The matter is under consideration.

(b) The above step would substantially reduce the requirement of budgetary provision for infusion of capital in Public Sector Banks (PSBs).

(c): The reduction of Government of India share in equity capital of PSBs to 52% will enable mobilization of Rs.89,120/- crore approx. on the basis of current market price on 21st November, 2014. The actual amount realised may vary on the basis of share price prevailing at the material time.