

(c) whether Government have received any demand for a probe in this regard and if so, what action Government have taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Information is being collected and shall be placed on the Table of the House.

Reduction in stakes in Punjab National Bank

†179. SHRI JANESHWAR MISHRA:
SHRI BRIJ BHUSHAN TIWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Board of Punjab National Bank has approved the decision of reducing Government's stake in the Bank upto 51 per cent by reducing the same to the extent of 6.8 per cent;

(b) if so, whether Government are having a proposa to bring down Government's stake in other banks also; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) and (c) The Government equity in the Nationalised Banks has been increasingly diluted and offered to public by way of public issues with a view to have more and more public participation in the affairs of the Nationalised Banks, creating an environment conducive for the Public Sector Banks to raise additional funds from the market for meeting Basel II requirements and respond effectively to emerging competitive pressures. Out of 19 Nationalised Banks, 16 have already accessed the capital market. However, in terms of Sub-section 3 (2B) (c) of Banking companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, the Government shall at all times hold not less than 51% of the paid up capital of the Nationalised Bank.

†Original notice of the question was received in Hindi.