

Bill Summary

The State Banks (Repeal and Amendment) Bill, 2017

- The State Banks (Repeal and Amendment) Bill, 2017 was introduced in Lok Sabha by the Minister of Finance, Mr. Arun Jaitley, on July 21, 2017.
- **Repeal:** It seeks to repeal the two Acts: (i) State Bank of India (Subsidiary Banks) Act, 1959, and (ii) State Bank of Hyderabad Act, 1956. These Acts established the State Bank of Bikaner, State Bank of Mysore, State Bank of Patiala, State Bank of Travancore, and State Bank of Hyderabad. These banks were subsidiaries of the State Bank of India (SBI).
- This is consequent to the Union Cabinet granting its approval in February 2017, which allowed the SBI to acquire these subsidiaries.
- **Amendments to the SBI Act, 1955:** The Bill seeks to amend the State Bank of India Act, 1955 to remove references related to subsidiary banks. These references include: (i) the definition of a subsidiary bank in the 1955 Act, and (ii) powers of SBI to act as an agent of the RBI for a subsidiary bank.

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