

**PSU banks mull raising Rs. 50,000 cr. in equity**

Public sector banks are planning to tap the markets to raise more than Rs. 50,000 crore this fiscal to shore up their capital base for business growth and meeting regulatory global risk norms.

Capital is very much required for these banks as they are saddled with non-performing assets (NPAs) of about Rs. 10 lakh crore.

**NPA clean up**

According to analysts, their first quarter results may not be very encouraging despite heavy cleaning up of books as the dust has not settled on the NPA front. Out of 21 public sector banks, 13 have already taken the approval of their boards or shareholders for raising capital through the equity market, as per the data compiled by PTI.

The combined value of the share sale of these banks is upwards of Rs. 50,000 crore.

Leading the pack is the Central Bank of India, which has already got shareholders' approval for raising Rs. 8,000 crore equity capital through various means, including a follow-on public offer, rights issue or a qualified institutional placement (QIP). Canara Bank also proposes to raise up to Rs. 7,000 crore through various means, including rights issue and QIP.

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