

Business Standard

Public sector banks delay plans to raise capital

RBI data show during Jan-March quarter bank credit of PSBs grew by a mere 1.4%

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Public sector banks (PSBs), which are starved for equity capital, are refusing to tap the markets to raise funds, despite having all the necessary approvals in place. State Bank of India (SBI), Bank of India, United Bank, Oriental Bank of Commerce, Union Bank and IDBI Bank have had the permissions for more than a year or more but they have refrained from raising capital via the qualified institutional placement (QIP) route. Arun Tiwari, chairman and managing director of Union Bank, points out that even though they have the approvals to raise Rs 1,386 crore via QIP, they haven't ...