

Centre pumps Rs. 7,577 cr into 6 public sector banks

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BENEFICIARIES

- **₹2,257 crore**
Bank of India
- **₹2,729 crore**
IDBI Bank
- **₹323 crore**
Central Bank of India
- **₹243 crore**
Dena Bank
- **₹1,375 crore**
UCO Bank
- **₹650 crore**
Bank of Maharashtra

New Delhi, December 29:

Coming to the rescue of ailing banks, the Centre has pumped in capital of Rs. 7,577 crore in various weak public sector banks.

This capital infusion is timely and would help these banks shore up their capital adequacy as they close the books for the December quarter, said a banking industry observer.

The government has released Rs. 2,257 crore to Bank of India, which was recently placed under prompt corrective action by the Reserve Bank of India. The other big beneficiary of the latest capital infusion round is IDBI Bank, which has received Rs. 2,729 crore, sources said.

While Central Bank of India has got capital support of Rs. 323 crore, Dena Bank has got capital support of Rs. 243 crore from the government.

UCO Bank, another weak public sector bank, has got capital support of Rs. 1,375 crore. Bank of Maharashtra has received capital support of Rs. 650 crore, sources said.

Reacting to the government move to release capital to these six public sector banks, the All India Bank Employees Association (AIBEA) General Secretary CH Venkatachalam expressed confidence that this capital support will help mitigate the immediate problems faced by these weak banks.

“The government should also look at measures other than the Insolvency and Bankruptcy Code (IBC) route to enable banks to recover their dues,” Venkatachalam told *BusinessLine*.

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