

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4075**

ANSWERED ON MONDAY, AUGUST 18, 2025/SRAVANA 27, 1947 (SAKA)

**CAPITAL RAISED BY PSBs**

†4075. SHRI RAVINDRA SHUKLA ALIAS RAVI KISHAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether public sector banks are able to raise capital from the market;
- (b) if so, the details thereof; and
- (c) the manner in which these funds are being used by banks to increase credit disbursal in the country?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) to (c): Public Sector Banks (PSBs) raise capital from the market to meet their capital requirement from time to time. The robust financial strength of PSBs has boosted investors' confidence, enabling them to raise capital from the market.

Banks raise capital from the market in the form of equity, Basel III compliant Additional Tier-I and Tier -II bonds. Total amount of capital raised by PSBs in the form of both equity and bonds during last three financial years (FY2022-23 to FY 2024-25) amounts to ₹ 1,53,978 crore (₹ 44,942 crore in FY2022-23, ₹ 57,380 crore in FY 2023-24 and ₹ 51,656 core in FY 2024-25).

The fresh raising of capital by banks is used for various purposes, which include, inter alia, meeting the capital needs of banks to support credit growth, meeting regulatory requirements for capital adequacy, complying with minimum public shareholding norms by increasing public shareholding, replenishing AT-1 bonds due for exercising call option, strengthening the overall capital position of the bank and creating capital buffer for their future business requirements.

\*\*\*