

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

STARRED QUESTION NO. *100

TO BE ANSWERED ON 29th April, 2016 / Vaisakha 9, 1937 (SAKA)

Government Stake in PSBs

***100 SHRIMATI SUPRIYA SULE:**

SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to privatise/bring down its share in the Public Sector Banks (PSBs);
- (b) if so, the details thereof, bank-wise including Industrial Development Bank of India;
- (c) whether the Government has consulted various stakeholders including bank's unions in this regard and if so, the details thereof; and
- (d) the steps taken by the Government to give more powers to banks to recover dues from wilful defaulters?

ANSWER

The FINANCE MINISTER
(SHRI ARUN JAITLEY)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT FOR LOK SABHA STARRED QUESTION NO. *100 FOR 29th APRIL, 2016 REGARDING GOVERNMENT STAKE IN PSBs TABLED BY SHRIMATI SUPRIYA SULE & SHRI MOHITE PATIL VIJAYSINH SHANKARRAO, MEMBERS OF PARLIAMENT.

(a) to(c):After deliberations, the Public Sector Banks(PSBs) including IDBI Bank have been allowed vide letter no. F.No. 11/7/2008-BOA dated 19.12.2014 to raise capital from Public markets through Follow-on Public Offer(FPO) or Qualified Institutional Placement(QIP) by diluting Government of India holding upto 52% in phased manner based on their capital requirement, their stock performance, liquidity, market conditions etc. The details regarding the banks which have been permitted for raising capital post this decision are at **Annex**.

(d): Reserve Bank of India (RBI) has issued guidelines (July 1, 2015, available on RBI's website) on wilful defaulters to dis-incentivize borrowers who have money and do not pay or have diverted or siphoned off funds or removed assets given as security, indicating action that includes; (i) restricting additional facilities to such defaulters from banks and financial institutions, (ii) barring of such borrowers from institutional finance, (iii) criminal action, (iv) removal of directors of such companies from boards and (v) change in management.

Annex to Lok Sabha Starred Question *100 for 29.4.2016

Permission Given to PSBs after 19.12.2014 to raise capital from the market				Status
Sl.No	Name of the Bank	Permission Given	Approval date	
1.	Central Bank of India	626.23 crore	30.12.2014	Raised(1.1.2015)
2	United bank of India	500 crore	31.12.2014	Not raised
3	State bank of India	15000 crore	23.2.2015	Not raised
4	Bank of India	642 crore	10.3.2015	Raised (19.03.2015)
5	UCO bank	487 crore on preferential basis to LIC	20.3.2015	Raised(27.03.2015)
6	Oriental bank of Commerce	1000 crore (including share premium) through QIP	24.3.2015	Not raised
7	Union bank of India	QIP raising of Rs 1386 crore	15.4.2015	Not raised
8	Canara Bank	Preferential allotment of 4 crore equity capital shares to LIC	22.4.2015	Raised (22.04.2015)
9	Vijaya Bank	600 crore including premium through QIP route	04.11.2015	Not raised
10	Corporation bank	143 crore by way of issue of equity shares on preferential basis in favour of LIC of India.	29.12.2015	Raised (31.12.2015)
11	IDBI Bank	3771 crore through QIP	30.12.2015	Not raised
12	Bank of India	20000000 equity shares	31.12.2015	Raised (5.01.2016)
13	Indian Overseas bank	51.79 crore equity shares of 10	12.1.2016	Raised (29.3.2016)
14	Andhra bank	preferential allotment of upto Rs. 200 crore to LIC	17.03.2016	Raised(29.03.2016)
15	IDBI Bank	preferential allotment of upto Rs. 848.42 crore to LIC	17.03.2016	raised
16	Dena Bank	preferential allotment of upto Rs. 450 crore to LIC	17.03.2016	Raised (30.03.2016)
17	Central Bank of India	preferential allotment of upto 31441088 equity shares to LIC	28.03.2016	Raised (31.03.2016)
18	Oriental Bank of Commerce	preferential allotment of upto Rs. 179 crore to LIC	28.03.2016	Raised (28.03.2016)
19	Bank of India	preferential allotment of upto Rs. 40 crore to GIC	21.03.2016	Raised (30.03.2016)
20	Syndicate Bank	preferential allotment of upto Rs. 216.94 crore to LIC	28.03.2016	Raised
21	Vijaya bank	preferential allotment of upto Rs. 226 crore to LIC	28.03.2016	Raised 30.03.2016
22	Allahabad Bank	preferential allotment of upto Rs. 58 crore to LIC	28.03.2016	Raised 31.03.2016