

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2547
ANSWERED ON:04.12.2009
IPO OF NATIONALIZED BANKS
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Will the Minister of FINANCE be pleased to state:

- (a) whether many nationalized banks are planning to raise money through the Initial Public Offerings (IPOs) this fiscal;
- (b) if so, the names of such banks and money they are likely to raise either through IPOs or via Certificates of Deposits (CDs);
- (c) whether some banks have shown losses during the last three years; and
- (d) if so, the details in this regard?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) & (b): To meet their growth requirements, the banks, including Nationalised Banks, raise capital funds through various permissible channels which, inter-alia, include raising capital from the capital market through issue of equity shares by way of Initial Public Offer (IPO)/Follow-on Public Offer (FPO) / Rights issue / Preferential allotment of equity shares, plough back of profits, issue of Innovative Tier I instruments, issue of Innovative Tier II Capital / Debt instruments, etc. The United Bank of India proposes to raise capital funds through IPO during the current financial year by issue of around 5 crore equity shares. The banks raise funds through Certificates of Deposits in usual course of their business depending upon their asset-liability position.

(c) & (d): All the Nationalised Banks have reported net profits for the years 2006-07, 2007-08 and 2008-09.