

## **Union Bank to raise up to Rs 600 cr by issuing shares under ESPS**

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The board of Union Bank of India has cleared a proposal to raise up to Rs 600 crore by issuing shares to its staff under the employee share purchase scheme.

The proposal was approved in a board meeting on Monday, the bank said in a regulatory filing. The bank proposes to raise capital through issuance of shares worth up to Rs 600 crore in one or more tranches to its employees under Employee Share Purchase Scheme (ESPS), it said.

In September, shareholders of Punjab National Bank (PNB) approved allotting 10 crore shares to the employees of the bank under ESPS while Syndicate Bank approved to raise up to Rs 250 crore under this scheme.

Bank of India will also offer 10 crore shares under ESPS and Canara Bank will issue up to 6 crore shares to its staff to raise up to Rs 1,000 crore. The government in March 2017 allowed public sector banks to offer stock options to their employees, aimed at retaining experienced hands besides providing a means of capital raise.

Allahabad Bank has already raised nearly Rs 236 crore in its maiden ESPS scheme. United Bank has also issued 5 crore fresh equity shares to employees under the scheme on August 31, 2018.

*(The Hindu Business)*