

# Govt raises ₹3,994 cr by selling stake in Axis Bank

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**T**he Centre has garnered ₹3,994 crore from selling its stake in Axis Bank after the offer for sale (OFS) ended for retail and non-retail investors, a finance ministry official said seeking anonymity.

Last week, the finance ministry sold 58 million shares, or a 1.95% stake in the private sector lender, held through Specified Undertaking of the Unit Trust of India (SUUTI), to non-retail and retail investors. The OFS for non-retail investors was oversubscribed four times the base size.

The government had sold 10 million SUUTI shares of Axis Bank for around ₹600 crore last year, to take advantage of the buoyant equity market.

SUUTI held a 3.45% stake in the bank as on 31 March, exchange filings show. Now, SUUTI shareholding in the bank is likely to come down to 1.5%.

In 2002, the Parliament had bifurcated Unit Trust of India after the US-64 plan ran into trouble, to create SUUTI and UTI Asset Management Co. Pvt. Ltd. The former holds the assured-return investments of UTI, while the latter oversees market-linked plans.

SUUTI has minority stakes in listed and unlisted companies. Most of its value is locked into ITC Ltd (7.93%), and construction engineering company Larsen & Toubro Ltd (1.8%). It had earlier divested its entire stake in L&T.

The Centre's divestment plan for FY22 may get delayed due to the second wave of covid-19, disinvestment secretary Tuhin Kanta Pandey had said at the "Mint India Investment Summit 2021" in April.