

Agricultural Bank May Receive \$1.3Bln Capital Injection

By [The Moscow Times](#)

November 13, 2012

The  Moscow Times

State-owned Russian Agricultural Bank could receive a capital injection of up to 40 billion rubles (\$1.3 billion) by the end of the year.

Government funds may be redirected to the country's fourth-largest lender after changes to the 2013 budget, Vedomosti reported Tuesday, citing anonymous officials.

Russian Agricultural Bank, or Rosselkhozbank, is used as a tool for the development of Russian agriculture and is the biggest creditor in the industry. It is run by Dmitry Patrushev, the son of Kremlin security council head Nikolai Patrushev.

Highly dependent on debt markets, in particular bond markets, the bank has raised over \$1 billion from eurobond issues in 2012.

Huge capital additions from a government looking to modernize the agriculture industry have

seen the bank grow faster than its rivals in recent years. Under the Kremlin's current privatization program, the bank is due to be sold to investors in its entirety by the end of 2016.

In a rare of example of private businessmen being appointed to senior positions in state-run-companies, pipe-making billionaire Dmitry Pumpyansky was last month made head of the bank's supervisory board.

Russian Agricultural Bank is also looking to clean up its balance sheet and dispose of bad assets, according to Vedomosti.

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