

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2541
ANSWERED ON:08.12.2006
RAISING ADDITIONAL CAPITAL
Adsul Shri Anandrao Vithoba

Will the Minister of POWER be pleased to state:

- (a) whether the Union Government has decided to allow power sector public undertakings to come out with Initial Public Offerings (IPO) to raise money from the market to meet their additional capital requirements;
- (b) if so, the details thereof along with the details of the power sector public undertakings allowed therefor; and
- (c) the funds likely to be generated through IPOs?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : Government has allowed the proposals of Power Finance Corporation (PFC), Rural Electrification Corporation (REC) and Power Grid Corporation of India Ltd. (PGCIL) for Initial Public Offer (IPOs) to raise money from the market to meet their additional capital requirement.

(c) : The amount of funds to be mobilized through the IPOs would be known after assessment by professional agencies for which the necessary work is yet to begin. Therefore, it is too early to give an estimate in this regard.