

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:6849
ANSWERED ON:07.05.2010
INITIAL PUBLIC OFFERING OF NTPC
Rao Shri Nama Nageswara;Reddy Shri K. Jayasurya Prakash

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to raise funds through Initial Public Offering (IPO) of the National Thermal Power Corporation Limited (NTPC);
- (b) if so, the details thereof;
- (c) whether there has been lukewarm response from the common retail investors to the NTPC`s IPO;
- (d) if so, the reasons therefor; and
- (e) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRI BHARATSINH SOLANKI)

(a) & (b) : Government has disinvested 5% paid up equity capital of NTPC Ltd. out of its shareholding of 89.50%, in February, 2010 through FPO. The Government realized an amount of Rs.8480 crore.

(c) to (e) : The portion reserved for retail investors was subscribed to the extent of 0.15 times. In a Follow-on Public Offering, the response of retail investor is often low as the price is already discovered and the shares are available in the market. The NTPC issue was subscribed 1.23 times.