

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:819
ANSWERED ON:25.02.2011
DISINVESTMENT OF COMPANIES
Singh Shri Bhola

Will the Minister of POWER be pleased to state:

- (a) the details of power companies disinvested during the last three years and the current year;
- (b) whether due to disinvestment of power companies the stake of the Government is reducing day-by-day; and
- (c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) to (c) : The details of Power Companies disinvested during the last three years including current year are as under:

(i) Govt. of India had disinvested 5% of paid up equity share capital of Government equity in NTPC through 'Further Public Offer' (FPO) on 18.02.2010. After this FPO, the Government of India holding in the Company has come down to 84.5% of the equity from 89.5%.

(ii) In National Hydroelectric Power Corporation Ltd. (NHPC), Govt. of India disinvested its holding in the year 2009-10 to the extent of 5% of pre- issue paid up capital through initial public offer in the month of August, 2009. As a result of disinvestment by 5% of Government of India and 10% fresh issue of pre-issued paid up capital by the Company at the time of IPO in the month of August 2009, the current holding of Government of India is 86.36%.

(iii) Powergrid Corporation of India Ltd. (PGCIL) had come out with Initial Public Offer (IPO) in 2007-08 comprising fresh issue of 10% of paid up capital and Offer for Sale (disinvestment) by Government of India of 5% of paid-up capital after which Government of India stake was reduced from 100% to 86.36%.

Subsequently, in November, 2010 PGCIL had come up with Follow-On Public Offer (FPO), comprising fresh issue of 10% of paid up capital and offer for sale (disinvestment) by Government of India of 10% of paid-up capital out of its existing equity holding after which its stake has been reduced to 69.42%.

(iv) Rural Electrification Corporation (REC) had come up with 'Initial Public Offer' (IPO) in February, 2008 by way of fresh issue of 10% paid up capital and an offer for sale of 10% of existing paid up capital held by the Government of India in the Company. As a result of this IPO, the Government holding in the Company reduced from 100% to 81.82%.

Subsequently, the Company came up with Follow-on Public offer (FPO) comprising fresh issue of 15% of existing paid up capital and Offer for Sale of 5% of the existing paid up capital held by the Government of India in February 2010. As a result of this FPO, the Government holding in the Company has come down to 66.80%.

(v) In so far as SatlujJal Vidyut Nigam (SJVN) is concerned the Government of India disinvested 10.03% of paid-up equity capital in May, 2010. As a result of disinvestment, the pre-issue holding percentage of Government of India in SVJN Ltd. of 74.50% has been reduced to 64.47%.