

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6939
ANSWERED ON:18.05.2012
DISINVESTMENT OF PSUS
Shankar Alias Kushal Tiwari Shri Bhisma

Will the Minister of FINANCE be pleased to state:

- (a) whether a portion of shares have been earmarked for general public in the process of disinvestment of Public Sector Undertakings (PSUs);
- (b) if so, the details thereof alongwith the response of the public to the said move; and
- (c) if not. the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (S.S.PALANIMANICKAM)

(a) Yes, Sir. A portion of the shares on offer are earmarked for general public (Retail Investors).

(b) Normally, the response of the retails investor is good in IPO (Initial Public Offers). In FPO (Further Public Offers) the response of retail investor is normally low, as the shares are already traded on the stock exchanges. The details of response of the Retail investors in public offerings is as under:

Sl.No.	Name of CPSE on offer	Number of shares earmarked for Retail Investors.	Number of shares oversubscribed	Retail portion of times Initial Public Offers (IPOs)	% of discount to Retail investors
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1	Maruti Udyog Ltd. (June, 2003)	79467600	35760420	2.54	NIL
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2	NTPC Ltd. (Oct. 2004)	865830000	216457500	3.37	NIL
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3	Power Finance Corporation Ltd. (Feb.2007)	117316700	41060845	8.21	NIL
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4	Power Grid Corporation of india Limited (Sept. 2007)	573932895	172179869	6.68	NIL
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5	Rural	156120000	54642000	7.52	NIL
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Electrifi
cation
Corporation
Ltd. (Mar.2008)

6 NHPC Ltd. 1677374015 503212205 3.79 NIL
(Aug2009)

7 Oil India 26449982 7934995 1.68 NIL
Ltd. (Sept.2009)

8 SJVN Ltd. 415000000 124500000 3.03 5
(May 2010)

9 Coal India 631636440 221072754 2.31 5
Ltd.
(Oct 2010)

10 MOIL Ltd. 33600000 11760000 32.79 5
(Dec 2010)

11 National 12000000 4200000 3.39 5
Building
Construction
Corporation
Ltd. (Mar-
April 2012)

SNo. CPSEs Numberof Number of Retail portion % of discount
shares shares oversubscribed to Retail
on offer earmarked number of times investors
for Retail investors.
Investors.

Further Public Offers (FPOs)

1 Indian Petrochemicals 71850056 21880858 1.31 5
Corporation Limited
(Feb. 2004)

2 CMC Ltd. (Feb. 2004) 3976374 994100 5.86 5

3 Dredging Corporation 5600000 1400000 9.16 5

Ltd. (March2004)

4 GAIL (India) Ltd. 84565160 21141290 1.87 5
(March 2004)

5 IBP Company Ltd. 5758290 1439580 1.84 5
(March 2004)

6 Oil and Natural Gas 142593300 35648325 1.00 5
Corporation (March
2004)

7 NTPC Ltd. (Feb. 2010) 412273220 103068305 0.14 NIL

8 Rural Electrification 171732000 60106200 0.22 NIL
Corporation Ltd.
(Feb.2010)

9 NMDCLtd. (Mar.2010) 332243200 116285120 0.21 5

10 Engineers India Ltd. 33693660 11792781 2.99 5
(Aug. 2010)

11 Power Grid Corporation 841768246 294618886 3.85 5
of India Limited
(Nov 2010)

12 Shipping Corporation 84690730 29641756 6.56 5
Ltd. (Dec2010)

13 Power Finance 229553340 80343669 1.97 5
Corporation
Ltd.(May 2011)

14 Oil & Natural Gas 420416170 " NIL
Corporation Ltd.
(March 2012)

The Offer for Sale Mechanism does not permit earmarking of shares for different categories of investors. Therefore, no shares could separately be earmarked for Retail Investors.

(c) Does not arise in view of reply to (a) and (b) above.