

Govt plans to sell 3.5% stake in HAL via OFS



The proposal comes at a time when ₹50,000-crore target for divestment receipts in the current financial year is unlikely to be met

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The government plans to sell up to 3.5 percent of its stake in aerospace and defence company Hindustan Aeronautics (HAL) through an offer for sale (OFS) to raise over ₹2,867 crore this fiscal, according to an exchange filing on Wednesday. It owns a 75 percent stake in HAL.

The 3.5 per cent stake sale comprised 1.75 per cent as the base offer and 1.75 per cent as an additional option.

The offer will open on March 23 and will continue till March 24.

According to the regulatory filing, the government has proposed to sell 1.75 percent of its equity shares of face value of ₹10 each on March 23 and March 24 for non-retail investors and an additional 1.75 percent stake "in event the oversubscription option is exercised."

The floor price of the OFS is set at ₹2,450 per equity share — which is at a 6.67 percent discount from the current market price of HAL. Back in 2020, the government had sold 15 percent of its equity stake in the company at ₹1,001 per share to raise about ₹5,000 crore via OFS.

The proposed OFS has come at a time when ₹50,000 crore target for divestment receipts in the current financial year is unlikely to be met.

The Centre has so far garnered ₹31,106 crore as disinvestment receipts for the fiscal to end on March 31. It is staring at a shortfall of ₹19,000 crore.

Last month, the Centre has lowered its disinvestment target to ₹50,000 crore in the revised estimates from ₹65,000 crore in budget estimates.