

Govt raises ₹1,350 crore via RVNL OFS

FE BUREAU
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THE GOVERNMENT NETTED around ₹1,350 crore from the 5.36% stake sale in Rail Vikas Nigam Ltd (RVNL) through a two-day offer for sale (OFS) which concluded on Friday.

“RVNL OFS closed with good interest from investors. With this, RVNL is now MPS (minimum public shareholding) compliant. We thank all investors for their participation,” the Department of Investment and Public Asset Management Tuhin Kanta Pandey tweeted

On Thursday, institutional investors put in bids for 174.47 million shares against total issue size of 111.75 million shares. On Friday, retail investors put in bids for 0.2 million shares or 18% of the shares earmarked for them. Their unallocated portion was allocated to non-retail investors.

With the completion of the OFS, the public shareholding in RVNL would rise to a little over 27% from 21.8%, meeting the market regulator’s MPS norm of 25% for listed firms.

Subsequent to the OFS, the government will also sell a 0.5% stake in the company to eligible employees. This would fetch another ₹126 crore to the Centre.

Post RVNL OFS, the Centre’s disinvestment receipts stood at about ₹5,585 crore or 11% of the FY24 target of ₹51,000 crore. The Centre



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**TUHIN KANTA PANDEY ,
DIPAM SECRETARY**

will likely go for a few OFS issues in the coming months to maximise disinvestment receipts and reach close to the annual disinvestment revenue mobilisation goal.

While some of the disinvestment transactions including the strategic sale of IDBI Bank are on track, doubts linger on the prospect of a 30.8% stake sale in Container Corporation (ConCor) as the expression of interest for it is not yet floated.