

# Govt readies OFS to sell 7% in Hudco

Gulveen Aulakh

[gulveen.aulakh@livemint.com](mailto:gulveen.aulakh@livemint.com)

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**T**he government will sell 7% equity in Housing And Urban Development Corp. Ltd (Hudco) via an offer for sale (OFS) on 18-19 October that is likely to fetch it around ₹1,100 crore, a senior government official said.

“Offer for sale in Hudco opens tomorrow for non-retail investors. Retail investors can bid on Thursday. Government will divest 7% equity including a green shoe option of 3.5%,” Tuhin Kanta Pandey, secretary of the department of investment and public asset management (DIPAM), said in a post on X, formerly known as Twitter, on Tuesday.

The government has set the floor price for the offer at ₹79 per share, 12% below the closing price of ₹89 on the BSE on Tuesday, and intends to sell about 140 million shares. The total value of shares comes to about ₹1,106 crore.

The first day of the offer would be open for retail investors, followed by the second day for non-retail investors.



DIPAM secretary Tuhin Kanta Pandey.

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There will be no retail discount for the offer, the public sector company said in a filing with the BSE on Tuesday.

The company added that the OFS is being undertaken to comply with the Securities and Exchange Board of India's (Sebi) minimum public shareholding norms. The Centre currently owns 81.8% in the housing finance company, and by offloading 7% shares, its stake will come down to 74.8%—below the maximum permissible 75%.

The stake sale will be in line with the government's divestment strategy, where it intends to bring down its holding in listed companies in order to meet the Sebi norms.