

Govt mops up ₹10,000 cr from Bharat-22 offer

New Delhi, Feb. 14: The government has raised Rs 10,000 crore by additional offering of Bharat-22 Exchange Traded Fund (ETF).

The additional 'on-tap' offering of Bharat-22 ETF was opened for a single day with a base issue size of Rs 3,500 crore and an option to retain over-subscription.

"The Bharat-22 ETF issue received overwhelming response from all categories of investors including retail investors. The Government has decided to retain approximately Rs 10,000 crore as its divestment proceeds," the finance ministry said.

The proceeds from the ETF sale would help the government move towards meeting the Rs 80,000 crore divestment target set for the current fiscal.

With the successful Bharat-22 ETF offering, the government has mopped up approximately Rs 46,000 crore by way of divestment.

The government has so far raised Rs 22,900 crore through the Bharat-22 ETF. While Rs 14,500 crore was raised in November 2017, another Rs 8,400 crore was raised in June 2018.

The central public sector enterprises (CPSEs) that are part of the ETF include ONGC, IOC, SBI, BPCL, Coal India and Nalco.



Other constituents include Bharat Electronics, Engineers India, NBCC, NTPC, NHPC, SJVNL, GAIL, PGCIL and NLC India. Only three public sector banks -- SBI, Indian Bank and Bank of Baroda -- figure in the Bharat-22 Index.

Also, the government's strategic holding in Axis Bank, ITC and L&T, held through Specified Undertaking of Unit Trust of India (SUUTI), has been put in the ETF basket.

This would be the second ETF offering by the government in the current fiscal which ends in March. In November last year, the government had raised Rs 17,300 crore through a follow-on offer of another exchange traded fund -- CPSE ETF, which comprises shares of 11 public sector enterprises. This was the biggest-ever fund raising from an ETF domestically.

—PTI

SC rejects Maharashtra govt plea to shut Enron probe

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New Delhi, 14 February

The Supreme Court on Thursday declined the Maharashtra government's plea to close the case of alleged bribing in the Enron-Dabhol power project. It was reported that the then bidders of the project, Enron, had paid money to politicians and bureaucrats to clinch the deal.

A three-judge Bench, led by Chief Justice of India (CJI) Ranjan Gogoi, while turning down the plea moved by the state, asked it to submit by March 13 a plan on how it intended to bring the case to a logical conclusion. The Bench also asked the state to submit details of the steps it had taken so far on the recommendations of a committee that has suggested judicial probe into the power project in 2001.

In 1992, US Energy conglomerate Enron started the process to set up a gas-fired power plant at Dabhol in Maharashtra. Work on the project soon ran into trouble on allegations of corruption and bribery at the highest levels. A new government took charge in Maharashtra in 1995 and on recommendations of a committee scraped the project. Enron then entered into arbitration with the government but came to a new agreement one year later.

Later in 2000, when another government took over, it stopped the payment of \$22 million to Enron for



December 2000. The state then sought to cancel the power purchase deal, which promoted Enron to stop work on phase-II of the project and sell phase-I.

The Maharashtra government in 2001 had ordered another probe led by Indian Administrative Services (IAS) Officer Madhav Godbole. The committee criticised the renegotiated terms for the power plant and recommended a judicial inquiry to fix administrative and political accountability.

The project was later taken over by Ratnagiri Gas and Power, a consortium of Union government-owned companies — NTPC and GAIL, and the Maharashtra government, in 2005. NTPC had then signed a 25-year power purchase deal, under which, while Maharashtra agreed to buy 95 per cent of Dabhol's power, Daman & Diu and Dadra Nagar Haveli agreed to buy 2 per cent each. Goa had agreed to buy 1 per cent of power generated from Dabhol power project.



ENRON-DABHOL POWER PROJECT DEAL

SC rejects Maharashtra govt's plea to close petition

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NEW DELHI, FEBRUARY 14

THE SUPREME COURT on Thursday turned down the Maharashtra government's request to close a case of alleged corruption involving politicians, bureaucrats and corporates in the Enron-Dabhol power project case.

Hearing a 1997 petition by the Centre of Indian Trade Union (CITU), a Bench of Chief Justice of India Ranjan Gogoi and Justices Dinesh Maheshwari and Sanjiv Khanna did not agree with the state's contention that the issues raised in it had become infructuous as the project had been taken over by Ratnagiri Gas and Power Pvt Ltd, which has been operating from 2006.

The Dabhol power project

was set up in 1996 in Maharashtra by US-based Enron and its associate Dabhol Power Corporation. It had a Power Purchase Agreement (PPA) with Maharashtra State Electricity Board (MSEB).

The Dabhol Power Company (DPC) became defunct and is now known as Ratnagiri Gas and Power Pvt Ltd, a joint venture of NTPC Limited, GAIL and Government of Maharashtra.

The CITU petition challenged a Bombay High Court order upholding the Power Purchase Agreement.

The SC asked the state to file an affidavit stating what action was proposed to be taken by the competent authority in the wake of the findings of the committee headed by IAS officer Madhav Godbole, which probed the deal.