
CIL to become Public Limited prior to divestment

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PTI reported that paving way for its divestment, Coal India will soon become a Public Limited company from a private one at present.

Mr PS Bhattacharyya chairman of Coal India said “For divestment and coming out with public offer, the pre requisite is to become a public Limited company. We will adopt a resolution in a month or 2 to become a public Ltd company from private Limited at present.”

As per report, the government is considering to sell up to 10% of its stake in its navratna PSU Coal India Limited and is likely to start the divestment process in the next 6 months. The proposed divestment would pave way for an early listing of the India's largest coal producer.

The firm, which has a paid up equity of INR 6,300 crore was given the navratna status in October 2008 and as per the rules, it has to get listed within 3 years ending October 2011. But the firm may come out with an IPO by the next fiscal considering the market conditions.

(Sourced from Press Trust of India)

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