



ONGC Petro Additions may raise Rs492 crore

Kalpana Pathak
kalpana.p@livemint.com
MUMBAI

ONGC Petro Additions Ltd (OPAL) plans to raise Rs492 crore from Tata Mutual Fund and SBI Fund Management Pvt. Ltd through the sale of compulsorily convertible debentures (CCDs), two people aware of the development said. Tata Mutual Fund will invest Rs292 crore while SBI Fund Management will invest Rs200 crore, the people mentioned above said on condition of anonymity.

The CCDs will mature in three years and carry a fixed coupon payment to be paid

annually. OPAL is the petrochemicals arm of state-run Oil and Natural Gas Corp. Ltd (ONGC).

"It is proposed to raise funds through issuance of CCDs with backstopping from ONGC for payment of principal and coupon amount to meet the equity requirement," said the first of the two people mentioned above. The CCDs will be sold in a single tranche and the allotment is to be completed in 20 days. ONGC holds 49.36% in OPAL, GAIL (India) Ltd 49.21% and Gujarat State Petroleum Corp. Ltd (GSPC) 1.43% stake, as of March 2016.

An email sent to ONGC Thursday was not answered till press time.