

SBI group firm sells over 85 lakh shares in Kingfisher

SBICap Trustee Company, an SBI group entity, today offloaded more than 85 lakh shares of cash-starved Kingfisher Airlines in a transaction worth nearly Rs 7 crore.

Recently, lenders of Vijay Mallya-led group's Kingfisher Airlines have begun selling other group firm shares pledged with them to recover their loans amid huge accumulated losses and soaring debt levels of the airline that is grounded since October 2012.

The shares were pledged as security for loans taken by Kingfisher Airlines.

As per data available with the stock exchanges, SBICap Trustee Company sold 85.17 lakh shares of the ailing carrier for Rs 6.70 crore in open market transactions today.

The shares were sold by SBICap at an average price of Rs 7.87.

A significant portion of the promoter shares in all UB group companies, including Kingfisher, are pledged with various lenders.

Yesterday, Mangalore Chemicals and Fertilizers (MCFL), another UB Group firm, said about 8.44% of the stake belonging to its promoter firm United Breweries Holdings has been sold by a lender.

MCFL had said the shareholding of the promoter firm United Breweries Holdings has come down to 16.07% from earlier 24.51% in the company "on account of invocation of pledge created in favour of lender".

MCFL, however, did not reveal the name of the lender which sold the United Breweries Holdings's 8.44% stake comprising one crore shares in the company on April 1.

Promoters -- United Breweries Holdings, United Spirit and McDowell Holdings -- together held a stake of 30.44% in MCFL by the end of December 2012, nearly 70% of their shares were pledged with various lenders.

Last week, SBICap Trustee Company had sold one crore shares of MCFL, accounting for over 8% stake, for Rs 38.5 crore in open market transactions.

At the end of December quarter, State Bank of India held 2.82 crore shares or 3.49% stake in Kingfisher Airlines.

Shares of Kingfisher Airlines today surged 4.51% to settle at Rs 7.88 apiece on the BSE.

(Business Standard)