

Indian firms sing IPO tune, line up ₹9,000 cr offers

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THE IPO lane is getting increasingly crowded as companies have lined up offers worth nearly Rs 9,000 crore in the current fiscal to fund their business expansion, meet working capital requirements and make loan repayment.

Catholic Syrian Bank, AGS Transact Technologies, Shree Pushkar Chemicals and Fertilisers, Dilip Buildcon, S H Kelkar and Company, Amar Ujala and Navkar Corporation are among the ones that plan to launch share-sale offers in coming months.

At present, 11 companies plan to raise Rs 5,010 crore and have secured approval of the Securities and Exchange Board of India (Sebi), Prime Database managing director Pranav Haldea said.

Another 11 firms looking to mop up Rs 3,602 crore have filed draft documents with the capital market watchdog and are awaiting approval, he added.

“However, there is no large issue on this list,” Haldea said.

According to experts, the IPO market is expected to see some activity in the current fiscal as a dozen companies filed their draft papers with Sebi in the past two months to launch public offers.

Besides, to help start-ups tap the IPO route to raise funds, Sebi has floated a draft paper.

Three firms — Inox Wind, Adlabs Entertain-



Fund raising

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ment and Ortel Communications — came out with their respective IPOs last month.

During the just-ended 2014-15, fund-raising through IPOs came in at Rs 2,769 crore, higher than Rs 919 crore in 2013-14.

The past fiscal year, however, again witnessed a flurry of activity on the small and medium enterprise (SME) platform as there were as many as 38 small and medium enterprise IPOs that mobilised Rs 250 crore (In 2013-14, 37 IPOs mopped up Rs 286 crore).

Marketmen said an attractively priced IPO will get a solid response from investors as its chances of listing with gains get higher. Conversely, if an IPO is “over-priced”, it may not be able to list attractively.