

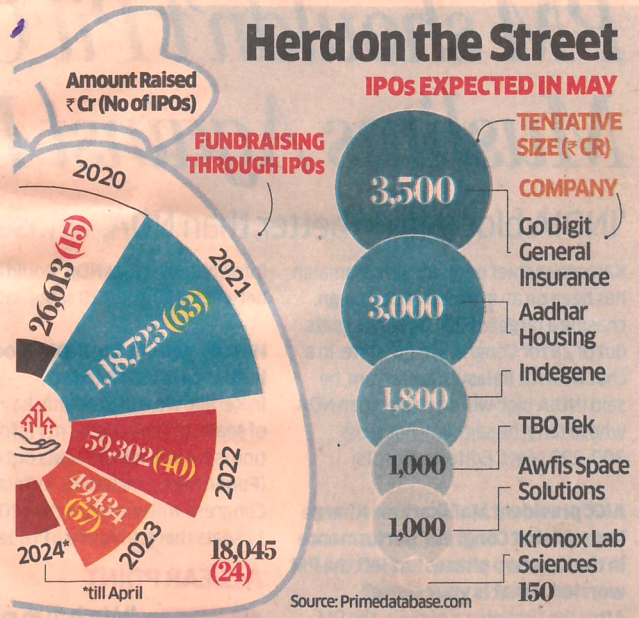
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IT'S IPO'CLOCK Floodgates to Stay Open This Month

Bullish companies not too concerned over volatility in election season

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Mumbai: A flood of initial public offerings (IPOs) is set to be launched in May as companies, buoyed by market vibrancy, set aside concerns over heightened volatility historically associated with the general election season. Indegene, Aadhar Housing Finance, TBO Tek, Go Digit, Awfis Space Solutions, Kronox and others are expected to raise over ₹10,000 crore from public offerings this month, according to bankers. So far in 2024, 24 companies have raised about ₹18,000 crore from IPOs. The national polls are being held in phases until June 1.

Carlyle-backed health tech firm Indegene has already announced its schedule for raising ₹1,842 crore and has fixed a price

band of ₹430-452 per share. The IPO will open for public subscription on May 6. The issue comprises a fresh issue of ₹760 crore and an offer for sale (OFS) of 23.9 million shares.

The ₹3,000 crore public issue of Blackstone-owned Aadhar Housing Finance is likely to enter the primary market in the second or third week of May. The IPO consists of a fresh issue of shares of up to ₹1,000 crore and an OFS component of about ₹2,000 crore. The affordable home financier has reduced its OFS size from the earlier plan of ₹4,000 crore.

"With a robust inflow from both domestic and foreign sources, elections, geopolitical issues, or inflation haven't had much impact on the primary market," said Ajay Saraf, head of investment banking and institutional equity at ICICI Securities. "Amid positivity towards India, investors exhibit a substantial appetite for quality issuances, irrespective of market conditions."

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Go Digit General Insurance, backed by Canada-based Prem Watsa's Fairfax Group, is set to launch its maiden public issue this month. The IPO includes a fresh issuance of shares worth ₹1,250 crore and an OFS of 109.4 million shares by promoters and existing shareholders. Cricketer Virat Kohli and his wife, actor Anushka Sharma, are among investors in the firm.

Leading travel distribution platform TBO Tek is also planning to raise more than ₹1,000 through an IPO in the second week of May.

The issue includes fresh equity of ₹400 crore and an offer for sale of up to 15.6 million shares.

"The primary market remains highly resilient, bolstered by robust flows from both domestic and foreign portfolio investors," said V Jayashankar, head of

equity capital markets at Kotak Investment Banking. "Given the success of recent major public issues and their favourable returns, the momentum in IPOs is expected to persist."

Last week, Vodafone Idea raised ₹18,000 crore in India's biggest follow-on public offer (FPO). The issue was subscribed seven times and the share is currently trading at a 20% premium to the offer price. Bharti Hexacom, which listed on April 12, is currently trading at a 52% premium after its recent ₹4,275 crore IPO.

Ola Electric Mobility is looking to raise about \$1 billion through an IPO before the election results if Securities and Exchange Board of India (Sebi) approval comes on time, according to bankers. The IPO consists of up to ₹5,500 crore through a fresh issue, apart from an OFS of 95.2 million shares by existing investors.

Votes in India's general election will be counted on June 4.