

# Bajaj Housing Finance lists at 114% premium

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**BAJAJ HOUSING FINANCE** made a spectacular listing on Monday at ₹150, which was 114% above the issue price of ₹70. Investor euphoria continued during the day as the stock hit the upper circuit at ₹165 – a premium of 135.7% – during its first trading session on the BSE. The listing gain was the highest among all initial public offers of over ₹5,000 crore in the past decade.

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**MIXED DAY FOR IPO INVESTORS**

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The wholly owned subsidiary of Bajaj Finance garnered subscriptions worth ₹3.23 lakh crore for its ₹6,560-crore issue with 67.43 times subscription. This included a fresh share sale of ₹3,560 crore and ₹3,000 crore via offer-for-sale (OFS).

Sanjiv Bajaj, chairman of Bajaj Housing

Finance, said the company have had strong growth in the backdrop of a strong economy and it can continue to grow strongly.

“If we look at the credit cycles in India, we expect a steady growth of 12-14% in the housing industry. And on the back of that, we are enthused that we can continue to grow,” Bajaj said, adding that the company will continue to have steady margins.

“Shareholders should expect a business that grows with high quality and a high level of corporate governance. Further, the demand for affordable housing is expected



## BEST D-ST OPENERS

	IPO price (₹)	Listing day gains (%)
Bajaj Housing Finance	70	135.7
FSN E-Commerce Ventures	1,125	96.2
Zomato	76	65.6
Sona BLW Precision Forgings	291	24.7
PB Fintech	980	22.7

Note: IPOs above ₹5,000 crore each in the past 10 financial years were considered

Source: Primedatabase.com

to be stronger due to continuous thrust from the central government on housing for all,” said Atul Jain, managing director, Bajaj Housing Finance in the media interaction post the listing.

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IN NEAR FUTURE, the company expects the operating expense to net income ratio come down further with the efficient use of technology, Bajaj added. Further, the expansion in sizes would lead to rise in income and ratios getting better.

However, though the listing was excellent, the gains have led to extremely high valuations compared to other listed housing companies, making investment experts a little nervous. In fact, a fund manager said they completely exited Bajaj Finance at ₹154-155 per share on Monday itself.

Bajaj Housing Finance, founded in 2008, is a non-deposit-taking housing finance company registered with the National Housing Bank since 2015 and has been offering mortgage loans since financial year 2018.

The company's assets under management were at ₹91,370 crore as of March 31 and at ₹97,071 crore for the first quarter of the current financial year. For 2023-24, Bajaj Housing Finance reported a net profit of ₹1,731 crore and revenue of ₹7,617 crore.