
Indiabulls Power IPO subscribed 6 times on first day

Wednesday, 14 Oct, 2009

BL reported that the initial public offering of Indiabulls Power a subsidiary of Indiabulls Real Estate was subscribed close to six times on the first day of its offering. The 39.07 crore issue which opened on Monday received bids for 165.6 crore shares.

The issue was subscribed four times in the first 10 minutes.

The portion reserved for the retail investors was not subscribed 0.37 times at the end of the day. The portion reserved for the HNIs was subscribed two times. The portion for qualified institutional buyers was subscribed 10.8 times.

Close to 18% of the issue was subscribed by eight anchor investors. Copthall Mauritius Investments, BNP Paribas Arbitrage, Credit Suisse Singapore and Macquarie Bank are among the anchor investors who subscribed to 6.1 crore shares.

The anchor investors subscribed at INR 45 a share. Close to INR 246 crore was raised through the anchor investors.

The price band for the issue was fixed at INR 40 to INR 45. The issue will close on October 15. The company is looking to raise INR 1,758 crore.

The proceeds from the issue will be used to part finance the construction and development of its power projects in Amravati and Nashik.

According to the company's draft prospectus, the company plans to utilize INR 1,435 crore from the issue proceeds to finance these projects. The company will also use the proceeds towards general corporate purposes.

(Sourced from Business Line)

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