

Three IPOs to be launched this week

Press Trust of India / New Delhi February 20, 2011, 18:37 IST

People looking to invest their savings in the primary market will have a number of choices to park their funds this week, with as many as three companies coming out with initial public offer (IPO).

The companies that plan to come out with IPOs this week are specialty chemicals and enzymes manufacturer Fineotex Chemical, IT and BPO firm Acropetal Technologies and apparel-maker Sudar Garments, as per information available on the National Stock Exchange (NSE) website.

According to market experts, these are small-size IPOs and the amount involved is also not huge. Retail participation will be very low in these offerings because of the prevailing volatility in the market, the experts said.

"These are small size issues and the amount is also not massive and it will be interesting to see their response," SMC Global Equity Head Jagannadham Thunuguntla said.

CNI Research Chairman and Managing Director Kishor P Ostwal said, "Retail participation will be low because of volatility in the secondary market."

Acropetal Technologies' Rs 170 crore and Sudar Garments' Rs 70 crore IPOs will open tomorrow, while Fineotex Chemical's Rs 30 crore stake sale will begin on Wednesday (February 23).

Last month, the stake sales of a three entities -- Omkar Specialty Chemicals, Tata Steel and Midvalley Entertainment -- got a good response from investors and were over-subscribed.

As per the prospectuses filed by private companies with market regulator Sebi, there are 100 public issues in the pipeline with an indicative IPO size of about Rs 50,000 crore.

Of this, about 35 have already got Sebi's nod and are slated to be launched in the coming months. The indicative size of these 35 issues is about Rs 35,000 crore. The other 65 issues, worth a cumulative Rs 15,000 crore, are waiting for Sebi clearance.

Indian companies, both public and private, raked in about Rs 59,523 crore from the primary market in 2010 and the total mop-up from the latest batch of IPOs is expected to touch Rs 90,000 crore this year.

In 2009, there were a total of 20 IPOs, which raised close to Rs 20,000 crore.

<http://www.business-standard.com/india/news/three-ipos-to-be-launched-...>