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Money Matters **RSS**

Fineotex Chemical IPO on 23 February

The price-band of the initial public offer is fixed at R 60-72. The proceeds will be used to fund expansion plans

PTI

Mumbai: Speciality chemicals and enzymes-manufacturer Fineotex Chemical on Tuesday said that its initial public offer (IPO) is slated to hit the market on 23 February and the proceeds of the issue would be used to fund the company's expansion plans.

"We have fixed the price-band of our IPO at R 60-72. At the lower-end of the price-band, we are eyeing R 25.27 crore and at the upper-end, R 30.32 crore," the company's director Sanjay Tibrewala said.

The firm plans to set-up a 13,125 metric tonnes per annum plant at Khopoli in Maharashtra which is expected to become operational by April 2012, he said.

Fineotex at present has a 5,000 metric tonnes plant at Mahape in Navi Mumbai.

The IPO proceeds will be used to fund the company's expansion, acquire plant and machinery and for general corporate purposes, he said, adding the investment in the plant will be around R 17-crore.

The company also plans to set-up a sales office in Mumbai.

"We are into value-addition and have a wide diversified portfolio of products. We make tailor-made products for our customers," he said.

Tibrewala also said the company's products have a good export potential. "Exports presently contribute around 25% to our total revenues," he said.

<http://www.livemint.com/2011/02/15162835/Fineotex-Chemical-IPO-on-...>