

# Five IPOs get regulator's go-ahead

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Zaggle Prepaid, Cyient DLM, Healthvista India, Rashi Peripherals and Vishwaraj Sugar Industries have obtained a green light from the Securities and Exchange Board of India (Sebi) to launch their initial public offerings (IPOs).

The approvals come at a time when capital raising by way of IPOs has slowed to a crawl, with only four issues hitting the market so far this calendar year.

Last week, the markets regulator

issued final observation letters on the five companies' draft red herring prospectus (DRHPs), which is akin to getting approval to hit the markets.

How soon these companies are able to launch their IPOs remains to be seen. Already, 54 companies proposing to raise a cumulative of ₹76,189 crore are sitting on Sebi approvals, as per Prime Database, a primary market tracker.

The latest five companies to get approvals are together aiming to raise

between ₹2,000 and ₹3,000 crore, said investment bankers.

Electronic manufacturing service provider Cyient DLM plans to raise ₹740 crore through the fresh issue. The company, which is a subsidiary of the listed player Cyient, may consider a pre-IPO placement of ₹148 crore.

Healthvista India, which owns the Protea brand, an out-of-hospital healthcare provider, had filed the draft papers in June last year. The IPO consists of a fresh issue of ₹200 crore and an offer for sale (OFS) for ₹56.2 million shares. The public issue of Rashi Peripherals, which provides IT solutions, is a completely fresh issue for raising ₹750 crore, of which ₹400 crore will be used for payment of certain outstanding borrowings while ₹200 crore for corporate purposes.

Interestingly, Sebi's nod for Healthvista came within weeks of its changing its status from professionally-managed company to a promoter-led company.



## Lukewarm response for Avalon Tech on Day 2

The IPO of Avalon Technologies was subscribed 8 per cent on Wednesday, a day before its close. The retail investor portion of the issue was subscribed 40 per cent. Last week, the electronic manufacturing services (EMS) firm had allotted shares worth ₹389 crore to anchor investors, which included Nomura Trust, Ashoka India Opportunities Fund,

Goldman Sachs and Neuberger Berman. The price band for the issue is ₹415-436 per share. At the upper end, the company is valued at ₹2,847 crore. Avalon's issue size works out to ₹865 crore, making it the largest IPO for this calendar year. In the IPO, the company will be issuing new shares worth ₹320 crore and the offer for sale component is ₹545 crore. **SAMIE MODAK**