

# Mankind raises revival hopes for moribund IPO market

The ₹4,326-crore issue was subscribed 15.3 times on final day

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THE INITIAL PUBLIC offering (IPO) of Mankind Pharma was subscribed 15.3 times on the final day. The portion for qualified institutional buyers was subscribed 49.16 times, while that for non-institutional investors was subscribed 3.8 times. The retail portion saw subscription of 92%.

The success of the ₹4,326-crore issue, the biggest this year and the third-largest since 2022, augurs well for the moribund IPO market, which has seen just six issues this year. The benchmark BSE Sensex was up 5.3% in the last one month.

"The company's performance and management track record that led to the quality of anchor book buoyed the sentiment for the main book. This is also perhaps the largest pharma offering this calendar year anywhere in the world and could lead to a revival in the primary market here in India," said a banker involved with the issue. The person,

## Mankind Pharma IPO snapshot

Final day subscription (x times)

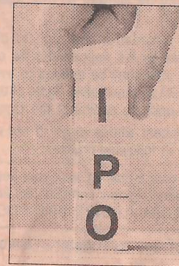
QIBs	49.16	Total	15.32
NI	3.8		
Retail	0.92		

Source: Exchange; figures as of 5.15 pm

## Top IPOs since April 2022

	Times subscribed	Issue amount (₹ cr)
LIC	2.05	20,557
Delhivery	1.33	5,235
Mankind Pharma*	15.32	4,110
Global Health	7.11	2,206
Five-star Business Finance	1.01	1,589
Rainbow Children's Medicare	8.82	1,581
Paradeep Phosphates	1.39	1,502
KFIN Technologies	1.96	1,500
Archean Chemical Industries	18.34	1,462
Campus Activewear	35.95	1,400

Source: primedatabase.com \*exchange data



however, was quick to add that given the global volatility, the current environment is only conducive for good quality companies. It will not be a market that will open up for anyone and everyone.

Mankind Pharma had raised ₹1,297.9 crore by allotting 12.01 million equity shares at a price of ₹1,080 (the upper end of the price band) to 77 anchor investors. This included foreign investors such as Canada Pension Plan Investment

Board, government of Singapore, the Monetary Authority of Singapore, Goldman Sachs, Fidelity, Blackrock, Abu Dhabi Investment, Nomura, and Morgan Stanley as well as 16 domestic mutual funds through 41 schemes.

Veenit Surana, partner, EY India said, "The India IPO market has shown resilience in Q1 2023, despite ongoing global uncertainties and relatively smaller issue size. The market's strength is a testament to

the Indian economy's potential for growth. We expect the IPO momentum to increase in future, with domestic and international investors playing important roles."

One of the reasons behind companies having been reluctant to tap the market is sustained outflows from foreign portfolio investors. FPIs pulled out \$3.5 billion and \$647 million from the Indian market in January and February this year, but have net bought shares worth \$967 million and \$938 million in March and April.

"In the past, there have been instances when a successful IPO during a lull period has boosted the sentiment. Let's hope the same will be the case this time and that Mankind's success gets the attention of bankers and companies waiting to tap the market," said Pranav Haldea, managing director, PRIME Database. Around 15 companies filed their DRHPs in Q1 of 2023. Fifty-four companies proposing to raise ₹76,189 crore hold Sebi's approval at present, according to a note by Prime Database. Another 19 firms looking to raise about ₹32,940 crore are awaiting the regulator's go-ahead. Out of these, four are NATCs which are looking to raise roughly ₹8,100 crore.