

Goldman's Renew sale to be biggest IPO exit by a PE company in India

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MUMBAI: Goldman Sachs Group Inc.'s planned \$600 million stake sale in Renew Power Ventures Pvt. Ltd will mark the biggest exit for a private equity fund through an initial share sale in India.

Renew Power, which filed its draft share sale documents on May 8, is expected to sell shares worth around ₹7,500-8,000 crore in the IPO.

"The IPO is largely an offer for sale, which again is largely Goldman Sachs looking to offload a large chunk of its shareholding," a person aware of the company's IPO plans said on condition of anonymity. "The secondary share sale could fetch them (Goldman) around ₹4,000-4,500 crore (approximately \$600-650 million)"

The size of the share sale could change depending on market conditions and investor demand at the time of the actual launch of the IPO, the person said.

The Renew Power IPO involves a primary fund-raising of ₹2,600 crore and a secondary share sale of 94 million shares. Goldman Sachs alone is selling 79.78 million shares, the Renew prospectus shows.

"As we are in the quiet period for this IPO, we are unable to comment," a spokesperson for Goldman Sachs said in an email response. The Indian primary market has been buoyant in the past three years because of private equity-backed IPOs.

In the past three years, 97 firms have raised ₹1.25 lakh crore through IPOs, according to data from primary market tracker Prime Database. The other major IPO exits witnessed in the Indian primary markets include ChrysCapital's ₹1,347 crore exit from Eris Lifesciences Ltd, Actis's ₹910 crore exit from Endurance Technologies Ltd and IFC'S ₹810 crore exit from Bandhan Bank Ltd.