

IPO rush: 6 mainboard IPOs opened together after 30 years; 5 cross 20x subscription

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India's primary market is witnessing an unusually crowded stretch, with six mainboard IPOs opening for subscription on the same day for the first time in 30 years, while strong investor demand has pushed five of the six issues that closed on Friday to more than 20 times subscription.

Rentomojo, Karamtara Engineering, LCC Projects, Steamhouse India, Asset Reconstruction Company (India), or Arcil, and Manipal Payment & Identity Solutions opened on September 9 and closed on September 11. The last time exactly six IPOs opened on the same day was October 14, 1996, according to historical data from *Prime Database*.

The six issues that opened together were seeking to raise a combined ₹4,509.68 crore, with Rentomojo accounting for the largest share at ₹1,255.57 crore.

Rentomojo, Karamtara lead subscription race

The ₹1,256-crore Rentomojo IPO emerged as the strongest performer on the subscription front, with the issue receiving 72.88 times the shares on offer by the close of bidding on Friday.

The IPO received bids for 158.68 crore shares against 2.17 crore shares on offer. The QIB portion was subscribed 177.29 times, while the non-institutional investor quota received 67.93 times subscription and the retail portion 15.59 times.

The ₹875-crore Karamtara Engineering IPO was subscribed 62.63 times, receiving bids for 159.17 crore shares against 2.54 crore shares on offer. Its QIB portion was subscribed 159.59 times, while the NII and retail portions received 48.55 times and 13.26 times subscription, respectively.

The ₹427-crore LCC Projects IPO followed with 48.51 times subscription. The issue received bids for 101.52 crore shares against 2.09 crore shares on offer.

Steamhouse India received 30.49 times subscription, while Arcil was subscribed 20.10 times.

The ₹805-crore Manipal Payment & Identity Solutions IPO, however, saw a more muted demand, ending at 1.42 times subscription.

That means five of the six IPOs that closed on Friday were subscribed more than 20 times.

LCC leads GMP; Rentomojo at 35% premium

The strong subscription numbers have been accompanied by healthy grey market premiums for most of the issues.

According to data collated from *InvestorGain* as on Friday evening, LCC Projects had the highest GMP at ₹75 against its ₹146 upper price band. The GMP reading was timestamped 6:59 PM on September 11.

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Rentomojo had a GMP of ₹141 against its ₹404 upper price band. The reading was timestamped 6:59 PM.

Steamhouse India had a GMP of ₹21 against its ₹81 upper price band. The reading was timestamped 6:56 PM.

Karamtara Engineering carried a GMP of ₹65 over its ₹254 issue price. The reading was timestamped 6:53 PM.

Arcil's GMP stood at ₹14 over its ₹139 upper price band. The reading was timestamped 6:34 PM.

The weakest grey-market indication among the six was for Manipal Payment & Identity Solutions, whose GMP had fallen to zero by 6:59 PM, implying no premium over its ₹339 upper price band.

Veegaland, Manika still open

The IPO rush is not over yet.

The Veegaland Developers IPO, which opened on September 10, was subscribed 1.15 times on day 2, and remains open until September 15. Its GMP stood at ₹20 against the ₹140 upper price band as of 6:29 PM on Friday.

The Manika Plastech IPO opened on Friday and received 1.42 times subscription on its first day. The issue has a price band of ₹40-43 and closes on September 16.

(DISCLAIMER: GMP is an unofficial indicator and does not guarantee the actual listing price. The views and opinions expressed by investment experts on fortuneindia.com are either their own or of their organisations, but not necessarily that of fortuneindia.com and its editorial team. Readers are advised to consult certified experts before taking investment decisions.)