

CPSE ETF's ₹10,000-cr seventh tranche to open on January 30

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THE GOVERNMENT IS planning to raise at least ₹10,000 crore through the seventh tranche of CPSE ETF which will open for anchor investors on Thursday. CPSE ETF runs a concentrated portfolio with a handful of stocks having weights of as high as 20% on the underlying index. The portfolio is concentrated towards the energy and oil sector.

The issue will open for

anchor investors on Thursday and for other institutional and retail investors, the next day, Nippon Life India Asset Management, which has been mandated to manage the CPSE ETF on behalf of the government, said in a statement.

Besides, the investors would get a 3% discount over the issue price, it added.

The sixth FFO (further follow-on offer) or seventh tranche will have a base issue size of ₹10,000 crore with a greenshoe option to retain a portion of the

oversubscription.

Retail investors can invest a minimum of ₹5,000, while non-institutional investors and qualified institutional buyers (other than anchor investors) can invest a minimum of ₹2 lakh. The minimum investment for anchor investor is fixed at ₹10 crore.

The decision to launch seventh tranche of CPSE ETF has been taken after receiving robust response for earlier stake sale by the government in the product.