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Publication: <http://www.moneycontrol.com> , Agency:Bureau
Edition:Internet , Page No: 0, Location: Internet , Size(sq.cms): 0

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Bureau

Credit Analysis and Research Ltd or Care Ratings has fixed the price band for its initial public offer (IPO) of shares at Rs.700-750 a share, said the company's management on Monday. The share sale will open for subscription on December 7 and will close on December 11.

The rating agency plans to raise Rs 504-540 crore by issuing 7.2 million shares of the face value of Rs 10 each through the issue. Promoters will dilute 25.22 per cent of their holding in the company through the stake sale. Kotak Mahindra Capital Co. Ltd, DSP Merrill Lynch Ltd and Edelweiss Financial Services Ltd, among others, will manage the share sale.

According to the company officials, 50 per cent of the offer shall be allocated on a proportionate basis to QIBs (qualified institutional buyers), 15 per cent to non-institutional buyers and 35 per cent to retail individual investors.

DR Dogra, managing director and CEO of Care Ratings said that the company which has recently started operations in Nigeria, Maldives and South America has plans to expand footprints globally.

He further said, the company is the second largest rating agency in the country which has seen 40 per cent growth in profits and revenue in the last few years.

[CARE Ratings](#) commenced operations in 1993 and since then has grown to become the second largest rating agency after [Crisil](#), which is a unit of S&P. It is the only domestic rating agency with no foreign holding.

Meanwhile, rival rating agencies Crisil and ICRA are both listed and are under foreign firm's control.

Last week, The Securities and Exchange Board of India (Sebi) exempted the rating from the grading process before it announced an IPO, which will hit the market this week. The company had sought the regulator's exemption from the mandatory procedure prior to the IPO as it would have resulted in a rival rating agency gaining access to its books and insider information, say media reports.

