

Care IPO price band at Rs 700-750, eyes Rs 540cr (also see in [Jpeg](#))

Publication: The Financial World, Agency:PTI

Edition:Delhi, Page No: 10, Location: Top-Left, Size(sq.cms): 136

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Care IPO price band at Rs 700-750, eyes Rs 540cr

MUMBAI: Rating agency Care's f504-540-crore initial public offering (IPO) WILL OPEN FOR SUBSCRIPTION ON 7 DECEMBER AND CLOSE ON 11 DECEMBER, THE COMPANY SAID.

The company has fixed the price band at Rs 700-750 per share. The issue will constitute 25.22 percent of the post-offer paid-up equity share capital of the company.

The deal will be carried through an offer for sale (OFS) ROUTE, AND THEREFORE THE COMPANY WILL NOT BE ISSUING FRESH SHARES AS PART OF THE ISSUE. IN AN OFS MODEL, THE EXISTING PROMOTERS DILUTE THEIR STAKE.

"The company proposes to sell 7.19 million shares through the issue, wherein the price of each share has been fixed at Rs 700-750" said Care Mb and CEO D R DOGRA IN MUMBAI.

Care is promoted by major banks and financial institutions and the three largest shareholders are IDBI BANK WITH 26 PERCENT, CANARA BANK AT 23 PERCENT AND STATE BANK OF INDIA HOLDS 9 PERCENT. HE ALSO SAID THE COMPANY IS THE SECOND LARGEST RATING AGENCY IN THE COUNTRY WHICH HAS SEEN 40 PERCENT GROWTH IN PROFITS AND REVENUE IN THE LAST FEW YEARS.

According to him, 50 percent of the offer shall be allocated on a proportionate basis to QIBS (QUALIFIED INSTITUTIONAL BUYERS), 15 PERCENT TO NON-INSTITUTIONAL BUYERS

and 35 percent to retail individual investors. Bids can be made for a minimum of 20 equity shares and in multiple of 20 shares thereafter, the company said.

Kotak Securities, Bank of America-Merrill Lynch, Edelweiss Capital, ICICI SECURITIES, IDBI CAPITAL AND SBI CAPS ARE THE BOOK-RUNNING LEAD-MANAGERS TO THE ISSUE.

The company, which proposes to raise Rs 504 crore at the lower end of the price band and Rs 540 crore at the top end of the price-bank, from the issue, also said it would diversify its businesses going ahead.

Issue will constitute 25.22% of the post-offer paid-up equity

"Going ahead, we will increase our product offerings. We will also diversify into new businesses like KPO, RISK MANAGEMENT ALONG WITH INCREASED GLOBAL FOOTPRINT IN THE FUTURE," DEPUTY MANAGING DIRECTOR RAJESH MOKASHID SAID, ADDING IT WILL ALSO INCREASE ITS PRESENCE IN RESEARCH SPACE.

Care will be the third rating agency in the country to go public after Crisil and Ica. Care said with the development of corporate bond market, rating companies would see more opportunities.

—PTI