

Two IPOs To Hit Market This Week

By A Business Reporter

Preventive Care company Thyrocare Technologies and microfinance lender Ujjivan Financial Services will hit capital markets next week to raise funds through their initial public offerings (IPOs). While Thyrocare plans to raise approximately Rs 480 crore, Ujjivan Financial Services plans to raise Rs 885-crore. The equity shares of both the companies are proposed to be listed on BSE and NSE.

Ujjivan Financial Services Limited started its operations as an NBFC in 2005 with the mission of providing a full range of financial services to the economically active poor who are not adequately served by financial institutions. Its business is primarily based on the joint liability group lending model for providing collateral free, small ticket-size loans to economically active women and the Company also offers individual loans for housing related needs and to Micro and Small Enterprises UFS is one amongst ten companies to have received in-principle approval from the RBI for setting up a Small Finance Bank (SFB). As of December 31, 2015, the Company had operations spread across 24 states and union territories, and 209 districts across India, making it a Micro Finance Institution with wide geographical reach.

Thyrocare Technologies is a diagnostic chains and conduct an array of medical diagnostic tests and profiles of tests that helps in early detection and management of disorders and diseases. The company has a strong presence in more than 2000 cities / towns across India. The company detects a number of disorders, including thyroid disorders, growth disorders, metabolism disorders and various infectious diseases.

THYROCARE TECHNOLOGIES OPENS ON APRIL 27

Diagnostics company Thyrocare Technologies has fixed the price band between Rs 420 to Rs 446 crore for its initial public offering (IPO) to raise approximately Rs 480 crore. "We have fixed the price band from Rs 420 to Rs 446 per equity share to raise funds through IPO of 100% offer for sale. At upper price band, we will raise around Rs 480 crore," said Thyrocare Chairman A Velumani.

The company's IPO will hit the capital markets on April 27 and is scheduled to close on April 29. The firm, which runs a diagnostics laboratory chain across the country, will come out with a public issue of up to 10,744,708 equity shares of Rs 10 each for cash.



Dr A Velumani, Chairman, CEO And MD, Thyrocare Technologies at the press conference

The offer for sale is being made by the selling shareholders. Agalia Private Ltd will offer upto 10,207,472 equity shares, Sundararaju HUF and A Velumani HUF will offer 180,000 equity shares each and up to 177,236 equity shares will be offered by Anand Velumani.

"Our strategy is to further grow our business by expanding our network of regional processing laboratories (RPL) to cater to a larger number of cities across the country. We have opened five RPLs in New Delhi, Coimbatore, Hyderabad, Kolkata and Bhopal," Velumani said.

The company is also developing a network of molecular imaging centers for cancer diagnosis. After the completion of the offer, the promoters and the promoter group will own approximately 63.96% of equity share. Last year, several healthcare firms like Alkem Laboratories, Dr Lal PathLabs and Narayana Hrudayalaya had hit the capital market, while HealthCare Global Enterprises got listed on the stock exchanges last month.

The issue is being managed by JM Financial Institutional Securities, Edelweiss Financial Services and ICICI Securities.

UJJIVAN FINANCIAL SERVICES OPENS ON APRIL 28



Samit Ghosh, MD and CEO, Ujjivan Financial Services at the press conference

Microfinance player Ujjivan Financial Services will open its Rs 885-crore initial public float on April 28 and has fixed the price band at Rs 207-210 per share. Ujjivan, which will become the second microlender to go public, is a recipient of an in-principal approval to set up a small finance bank.

The IPO, opening on April 28 and closing on May 2, involves fresh issuance of shares worth Rs 358 crore by the company and a Rs 527-crore offer-for-sale by its overseas investors who are exiting or paring their stakes in the company, Ujjivan Chief Financial Officer Sudha Suresh told reporters.

Three foreign investors -- Mauritius Unitus Corporation (2.49%), WCP Holdings III (3.06%) and Women's World Banking Capital Partners (5.34%) will be completely exiting the company through the IPO, Suresh said.

"Out of the Rs 885-crore IPO, the company will garner Rs 358 crore in fresh capital and the balance is a secondary transaction through an OFS by the existing foreign shareholders who will be exiting their investment," Suresh said.

The offer will bring down the foreign shareholding in the microlender to around 45% from the current 77%, which is required as per RBI guidelines for setting up the small finance bank.