

Investors lap up Ujjivan offer

IPO subscribed 41 times as firm gets bids worth ₹35K cr

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INVESTORS seem to be betting big on small finance banks with Ujjivan Financial Services' Rs 880 crore IPO getting oversubscribed 41 times as the firm received bids worth Rs 35,000 crore, mainly from domestic institutional investors and high networth individuals (HNIs).

The huge response for the small finance bank license holder comes close on the heels of successful listing of the Bangalore-based small finance bank licensee Equitas Holdings, which was oversubscribed 17 times.

Interestingly, Ujjivan Financial Services, one of the 10 winners of a license to set up a small finance bank, received bids largely from high networth individuals where their portion was oversubscribed 136 times, while the institutional in-

Stellar show

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■ After the IPO, FIs will be able to buy shares in these firms, which is a big positive for the stock

■ In case of Ujjivan, foreign holding in the firm will come down to 45% post IPO from 77%

vestor portion was oversubscribed 34 times. In both Ujjivan and Equitas IPOs, foreign investors were absent as these companies were trying to bring down foreign holding to 49 per cent to comply with the norms for small finance banks set by the Reserve Bank of India. The retail portion of the issue was subscribed 3.9 times.