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Aster DM Healthcare to launch IPO with a price band of Rs.180-Rs.190 per share

05 February 2018 | News

The IPO consists of Fresh Issue of up to equity shares aggregating up to Rs. 7,250 million. The IPO consists of Offer for Sale up to 13,428,251 equity shares. Bids can be made for a minimum of 78 equity shares and in multiples of 78 shares thereafter. The Floor Price is 18 times of the face value and the Cap Price is 19 times of the face value of the Equity Shares.



According to the Frost & Sullivan Report, Aster DM Healthcare Limited which is one of the largest private healthcare service providers that operates in multiple GCC states based on number of hospitals and clinics, and is an emerging healthcare player in India, will be launching its initial public offering which is scheduled to open on February 12, 2018 and close on February 15, 2018 with a price band of Rs. 180-Rs. 190 per Equity Share of face value of Rs. 10 each of the company.

The anchor investor allocation will be a day prior to the Bid/Offer Opening Date i.e. February 09, 2018. The IPO consists of a fresh issue of up to Equity shares aggregating up to Rs. 7,250 million and an Offer for Sale of up to 13,428,251 Equity Shares of the Company aggregating up to Rs. 7,250 million and an Offer for Sale of up to 13,428,251 Equity shares of the Company by the Promoter, Union Investments Private Limited.

The Company proposes to utilize the net proceeds of the Fresh Issue for repayment and/or pre-payment of debt, purchase of medical equipment and general corporate purposes.

In terms of Rule 19 (2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended, this is an Offer for at least 10% of the post-Offer paid-up equity share capital of the Company.

Kotak Mahindra Capital Company Limited, Axis Capital Limited and Goldman Sachs (India) Securities Private Limited are the Global Co-coordinators and Book Running Lead Managers to the Offer and ICICI Securities Limited, JM Financial Limited and YES Securities (India) Limited are the Book Running Lead Managers to the Offer. The Registrar to the Offer is Link Intime India Private Limited.

The Offer is being made in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the SEBI ICDR Regulations), through the Book Building Process wherein 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers (QIBs), provided that the company in consultation with the selling shareholder and the managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid bids being received from domestic mutual funds at or above the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to mutual funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilize the Application Supported by Blocked Amount process providing details of their respective bank accounts which will be blocked by the Self Certified Syndicate Banks.

The Offer will constitute xx% of the post offer paid-up Equity Share capital of the Company.

The Equity Shares of the Company are proposed to be listed on BSE Limited and National Stock Exchange of India Limited.