

CPSE ETF OVERSUBSCRIBED 2 TIMES, GETS ₹12K CRORE BIDS

NEW DELHI: The second tranche sale of government's exchange traded fund (ETF) of top 10 state-owned companies saw bids worth Rs 12,000 crore from investors, which is twice the amount sought to be raised. The Reliance Mutual Fund-managed Central Public Sector Enterprises - Exchange Traded Fund (CPSE ETF) saw all round participation from investors, with retail buyers who were offered a 5 per cent discount, putting in bids for over Rs 1,000 crore. Anchor investors, for whom the bids had opened on January 17 and Rs 1,800 crore was reserved, had put in bids for over Rs 6,000 crore. Another Rs 6,000 crore worth bids poured in from Qualified institutional buyers and retail investors between January 18-20. "It has been a very successful ETF and showed attractive response across the board including from FIs, financial institutions, anchor and retail investors," Department of Investment and Public Asset Management (DIPAM) Secretary Neeraj Gupta said, after the close of the bids on Friday. The Further Fund Offer (FFO) of CPSE ETF had a size of Rs 4,500 crore, with an option to retain another Rs 1,500 crore in case of over-subscription. With the success of ETF, the government is likely to have garnered Rs 6,000 crore more to this fiscal's disinvestment kitty. This would be the single biggest disinvestment proceed this fiscal. Nomura, Morgan Stanley, SBI, LIC, Axis Bank and Birla MF are some of the anchor investors which had placed bids.