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THE second tranche sale of the government's exchange-traded fund of top 10 state-owned firms on Tuesday attracted robust response with the portion reserved for anchor investors getting subscribed over threefold to the tune of ₹6,000 crore on the opening day, reports PTI. The Reliance Mutual Fund-managed Central Public Sector Enterprises Exchange-traded Fund (CPSE ETF) has further fund offer size of ₹4,500 crore, with an option to retain ₹1,500 crore in case of over-subscription. ■ P11

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New Delhi, Jan 17: The second tranche sale of government's exchange traded fund (ETF) of top 10 state-owned companies on Tuesday attracted robust response with the portion reserved for anchor investors getting subscribed over three-folds to the tune of ₹6,000 crore on the opening day.

The Reliance Mutual Fund-managed Central Public Sector Enterprises — Exchange Traded Fund (CPSE ETF) has Further Fund Offer (FFO) size of ₹4,500 crore, with an option to retain another ₹1,500 crore in case of over-subscription.

As much as 30% of total issue size, or ₹1,800 crore, was re-

served for anchor investors who put in bids worth about ₹6,000 crore on Tuesday, a top official said.

Nomura, Morgan Stanley, SBI, LIC, Axis Bank and Birla MF are some of the anchor investors which placed bids.

The issue received all round participation from all categories of investors — banks, insurance companies, FIIs and MFs — both domestic and foreign.

The government is looking to raise a total ₹6,000 crore in the second tranche issue of the CPSE ETF, which is part of its disinvestment plan aimed at narrowing Asia's widest fiscal deficit without reducing public

spending. This would be the single biggest disinvestment proceed this fiscal.

The issue will open for subscription for retail investors and qualified institutional buyers tomorrow and will remain open till January 20. Retail investors will get 5% discount, the official said.

The government has raised ₹23,500 crore through disinvestment this fiscal so far against the target of ₹56,500 crore.

CPSE ETF was launched in March 2014 by Goldman Sachs Asset Management India. In the inaugural issue, it raised ₹4,300 crore against a target of

₹3,000 crore.

Reliance Mutual Fund operates the fund now after it bought Goldman's mutual fund business in the country in 2015.

"We are happy to be working with the government on its disinvestment programme. We are overwhelmed by the response received from investors across all categories today. The issue saw very strong participation from the private sector, in addition to government participation, on the first day itself and we are hopeful of strong momentum in the retail category that opens tomorrow," Reliance Mutual Fund CEO Sun-deep Sikka said. *PTI*