

## Indo-Bangla Pharma's IPO gets 34 times higher subscription

FE Report | **Published: September 03, 2018 10:53:37** |  
**Updated: September 04, 2018 10:41:41**



The initial public offering (IPO) lottery draw of Indo-Bangla Pharmaceuticals will be held on September 11, officials said.

The event will be held at 10:30 am at the auditorium of the Institution of Engineers Bangladesh (IEB) in the capital city.

After the lottery draw, the results will be published on the websites of Dhaka and Chittagong stock exchanges, issue managers and the company.

The Indo-Bangla Pharma will raise a fund worth Tk 200 million by issuing 20 million ordinary shares at an offer price of Tk 10 each under the fixed price method.

The IPO subscription of the company was held between August 09 and August 16 last.

The company's IPO is oversubscribed by more than 34 times as the company received Tk 6.84 billion against the public issue of Tk 200 million.

Its IPO subscription was supposed to begin on April 08, but was suspended following a writ petition filed with the High Court by National Bank Limited (NBL).

The NBL filed the writ petition as four directors of the company were 'loan defaulters' as the guarantors of loans disbursed by the bank.

The HC withdrew its stay order later as the Indo-Bangla Pharmaceuticals and NBL reached a solution regarding the loan issue.

The Bangladesh Securities and Exchange Commission (BSEC) approved the company's IPO proposal on October 3 last year.

The company will utilise 29.29 per cent of the IPO proceeds for construction and other civil works, 62.36 per cent for purchasing machineries and 8.35 per cent for bearing the IPO expenses, according to the IPO prospectus.

As per the financial statement for the year ended on June 30, 2016, the company's net asset value (NAV) per share and earnings per share (EPS) are Tk 11.63 and Tk 2.62 respectively.

The company's pre-IPO paid-up capital is Tk 730 million and authorised capital is Tk 1.0 billion.

AFC Capital, EBL Investments and CAPM Advisory are working together as issue manager of the IPO.

The company is engaged in manufacturing and selling of all kinds of medicine (excluding antibiotic), medical preparations drugs & chemicals (Human Health).

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