

Headline: NSE picks Citi, three others to manage IPO

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NSE is India's largest bourse in terms of market share

SPECIAL CORRESPONDENT

MUMBAI: The National Stock Exchange (NSE), which is the country's largest bourse in terms of market share, has appointed merchant bankers to manage its initial public offering of shares (IPO).

The exchange has appointed Citigroup Global Markets India, JM Financial Institutional Securities, Kotak Mahindra Capital Company and Morgan Stanley India as joint global co-ordinators for the initial public offer, according to a statement. It has also appointed leading law firm Cyril Amarchand Mangaldas as the legal advisor.

The board of the exchange, in its meeting held on August 22, also approved the appointment of Price Waterhouse & Co, Chartered Accountants LLP as joint statutory auditors for 2016-17 along with the current statutory auditors and as sole statutory auditors for 2017-21.

"With these steps, NSE expects the listing process to gain further momentum. NSE will consider the appointment of more banks for additional roles as may be felt expedient," according to the statement from the exchange.

India listing

The exchange plans to file the public offer document - draft red herring prospectus



BOURSES BATTLE: The exchange plans to file the public offer document for listing in India by January 2017. — FILE PHOTO

(DRHP) in market parlance - for listing in India by January 2017.

A DRHP contains relevant company information (financials, management structure, segments of the business, risk factors) based on which potential investors can decide whether to invest in the initial public offer.

Overseas listing

At a meeting held on June 23, the board had expressed its desire to file the DRHP by January 2017. Interestingly, the board has also advised the management to file for overseas listing by April 2017.

This would bring relief to many shareholders of NSE,

including the State Bank of India along with other public sector banks, which have a sizeable stake in the exchange.

In the past, shareholders have even written to the board and senior management of the exchange to expedite its listing process so that there is greater transparency in pricing of shares and exits are facilitated on the stock exchange platform.

The NSE was not comfortable to list on its rival exchange BSE and wanted the regulator to allow self-listing, that is, list its shares on its own platform.

Current regulations do not allow self-listing of exchanges in India.