

Initial

Public

Offerings

– The Dream Begins

06 Nov'12

Volume 1

ARC Financial Services Pvt Ltd.

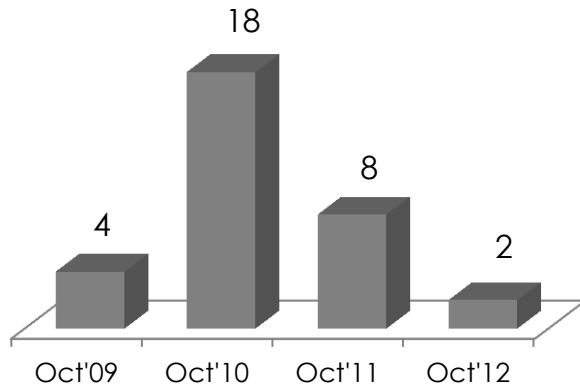
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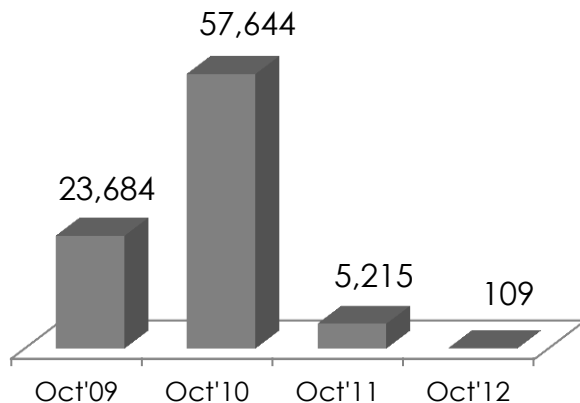


IPO Activity *went deep inside graveyard*

IPO Volume - Listings (Y-o-Y)

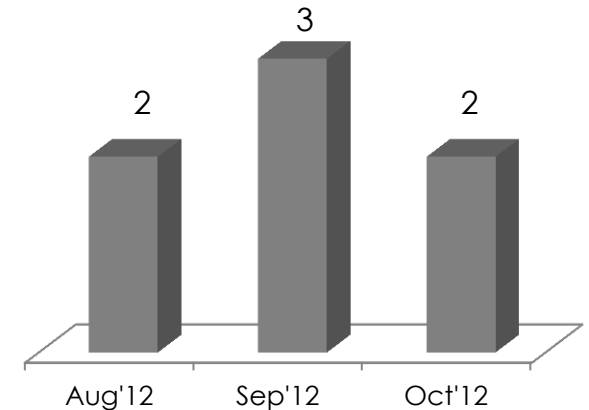


IPO Value, INR Million (Y-o-Y)

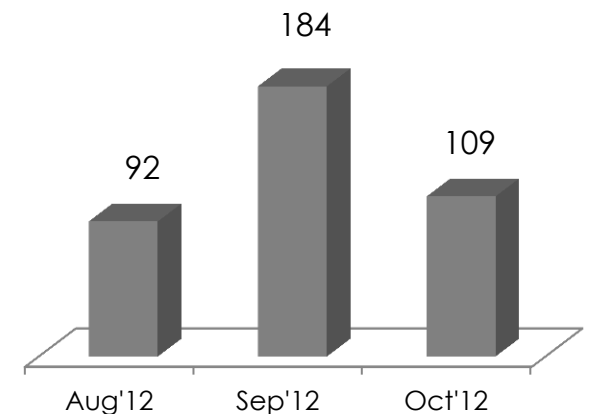


- IPO Activity continues to be poor in second half of 2012
- Corporate India could raise only INR 109 million in the month of Oct'12 compared to INR 184 million in Sep'12, a decline of 41% M-o-M basis
- Oct'12 was the worst October in last 4 years both in terms of new listings and proceeds generated
- There was not even a single listing on main exchange with all the IPOs of last three months on BSE -SME exchange
- With listings happening on BSE-SME exchange, market did not witness a single big IPO (biggest IPO size of just INR 70 million in last three months)

IPO Volume - Listings (M-o-M)



IPO Value, INR Million (M-o-M)





- ❑ IPO activity is expected to revive in near future as sentiments are improving in market off-late due to reform measures announced by government in last 2 months to revive the economy

- ❑ In the last two months, BSE-SENSEX gained 1,100 points or more than 6% as FII's invested a hefty sum of about INR 300 billion on the back of a slew of reforms initiated by the government
 - Ignoring Political benefits finally government took some good measures as FDI in retail & aviation sectors and hike diesel prices to revive up economy that have boosted the secondary market, which is expected to eventually help companies to launch their IPOs

- ❑ SEBI has recently floated a discussion paper on 'mandatory safety net mechanism' in IPOs, a move that is expected to help in fair-pricing of the IPOs and provide capital guarantee on a certain portion of investments

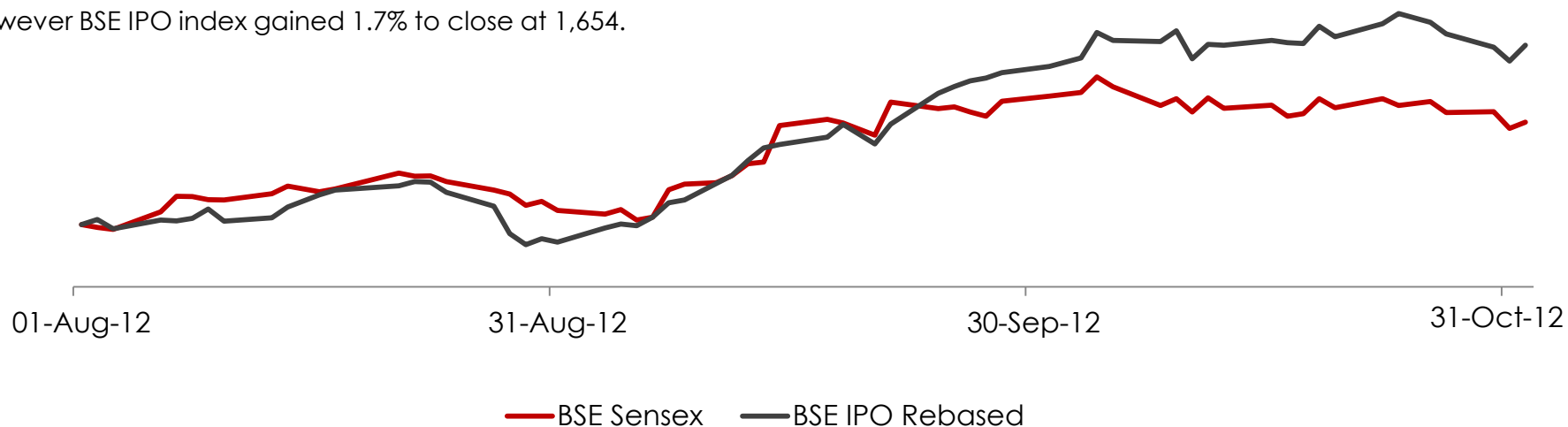
- ❑ The regulator has also announced various other IPO market reforms, steps for enhanced distribution network, incentives for brokers, bidding through electronic IPO platforms and allotment of a minimum lot of shares

Markets Performance

Sensex remained flattered with marginal decline in Oct'12

After two consecutive months of upmove, the Indian Markets took a breather, witnessing some correction in the month of Oct'12. The BSE Sensex ended the month with a slight loss of 1.4%.

However BSE IPO index gained 1.7% to close at 1,654.



	1M	2M	3M
BSE Sensex (18,505 as on 31 Oct'12)			
Change (%)	(1.37%)	6.16%	7.36%
BSE IPO (1,654 as on 31 Oct'12)			
Change (%)	1.74%	14.07%	13.16%

Recent Listings

List Date	Company	Sector	Size (INR Mn)	IPO Price (INR)	List Price (INR)	Price (INR) 31 Oct'12	Change on IPO Price
16 Oct'12	RCL Retail	Retail	58	10.0	10.1	9.0	(10.00%)
12 Oct'12	Anshu's Clothing	Retail	51	27.0	26.9	27.5	1.85%
24 Sep'12	Comfort Commotrade	Finance	60	10.0	10.3	19.1	91.00%
11 Sep'12	SRG Housing Finance	Finance	70	20.0	20.3	21.9	9.75%
04 Sep'12	Jointeca Education	Education	54	15.0	15.2	15.0	0.00%
16 Aug'12	Jupiter Infomedia	TMT	41	20.0	22.0	22.8	13.75%
11 Aug'12	Sangam Advisors	Finance	51	22.0	23.1	22.2	0.91%

Not even a Single IPO of more than INR 100 million ☹



Thank You

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*Happy
Diwali*

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