

HPL's ₹361-crore IPO to hit capital markets on Sept 22

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ELECTRIC equipment manufacturer HPL Electric and Power will raise Rs 361 crore through initial public offer (IPO), which will be mainly used to meet its working capital requirements and retire part of its debt.

The issue, with a price band of Rs 175-202 per equity share, will be open from September 22-26.

"We plan to utilise the proceeds of the issue to fund working capital requirements and for repayment of loans in this fiscal. We will also utilise the proceeds for other general corporate purposes," company's Joint Managing Director Gautam Seth told

reporters here today.

The company, which is engaged in manufacturing of metering solutions, switch gears, lighting equipment and wires and cables, has a net debt of Rs 560 crore.

"Out of the total funds raised, Rs 130 crore could be used to retire part of the debt while Rs 180 crore will be utilised to meet working capital requirements," he said, adding the company will focus on brand image building and increase its visibility across the country.

The issue is being managed by SBI Capital Markets, ICICI Securities and IDFC Bank.

The equity shares will be listed on BSE and NSE. In fiscal 2015-16, the

company had reported gross revenues of Rs 1,350 crore, which also includes income from its subsidiary Himachal Energy.

"The various initiatives taken by the government including promoting use of LED lightings, UDAY scheme, rural electrification, housing for all, smart cities, smart metering, among others is a very positive move and we see this as a huge opportunity for growth across all our four verticals," Seth added.

The company has six manufacturing units in northern India including two at Gurgaon, one each at Kundli, Gharaunda and Sonapat, all in Haryana and one at Jabli in Himachal Pradesh.—PTI