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Indo-Bangla Pharma holds lottery draw for IPO



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A lottery draw on the Initial Public Offering (IPO) of Indo-Bangla Pharmaceuticals Limited was held in Dhaka yesterday, as the company's IPO was more than 34 times oversubscribed.

The company had aimed to raise Tk200 million through the IPO, but received subscriptions amounting to Tk6.85 billion. The results of the lottery to determine which subscribers would receive shares have been published on the official websites of the Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), and Indo-Bangla Pharmaceuticals.

The company is going to float 20 million shares at an issue price of Tk10 each under the fixed price method, and lot size has been set at 500 shares. The IPO was open for subscriptions from August 9-16.

The IPO of Indo-Bangla Pharma was approved by the Bangladesh Securities and Exchange Commission (BSEC) on October 3, 2017.

According to the IPO prospectus, the company will utilize 29.29% of the IPO proceeds for construction and other civil work, 62.36% for machinery, and 8.35% to meet IPO expenses. As per the financial statement ended on June 30, 2017, the company's Net Asset Value (NAV) per share and Earnings per Share (EPS) stood at Tk12.84 and Tk1.21 respectively.

Indo-Bangla Pharmaceuticals, the flagship company of IBP group, was established in Barisal in 1954. The company was incorporated as a private limited company under the Companies Act on June 18, 2014, and was converted into a public limited company on October 21, 2014. The company's pre-IPO paid-up capital is Tk730 million and authorized capital is Tk1.0 billion.

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