

## Transformers and Rectifiers (India) Limited IPO opens on December 7, 2007

*Price Band fixed between Rs 425 and Rs 465 per Equity Share*

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Transformers and Rectifiers (India) Limited, (the 'Company'), one of the major players in the Indian market manufacturing a wide range of transformers ranging from power generation, transmission, distribution transformers, industrial transformers and a wide range of speciality transformers, will enter the capital market on December 7, 2007, with an initial public offering of 29,95,000 Equity Shares of Rs 10 each for cash at a premium to be decided through a 100% Book-Building Process (the 'Issue'). The Issue will open for subscription on December 7, 2007 and close on December 12, 2007. The price band has been fixed between Rs 425 and Rs 465 per Equity Share. The Issue size ranges between Rs 1,272.88 million (at the lower end of the price band) and Rs 1,392.68 million (at the upper end of the price band).

The Equity Shares are proposed to be listed on the Bombay Stock Exchange Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The Issue has been graded by Credit Analysis & Research Limited ('CARE Limited') and has been assigned the 'CARE IPO Grade 4' indicating above average fundamentals.

The Issue includes a reservation of 150,000 Equity Shares for eligible employees and the Net Issue to the Public will be 28,45,000 Equity Shares. The Issue will constitute 23.17% of the fully diluted post-issue paid-up capital of the Company and the Net Issue will constitute 22.01% of the fully diluted post issue paid-up capital of the Company.

Out of the total equity offer, at least 60% of the Net Issue shall be allocated to Qualified Institutional Buyers ('QIBs') on a proportionate basis out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allotment on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, up to 10% of the Net Issue would be allocated to Non-Institutional Bidders and up to 30% of the Net Issue would be allocated to Retail Individual Bidders on a proportionate basis, subject to valid Bid being received from them at or above the Issue Price.

The objects of the proposed Issue are to finance the setting up of the proposed greenfield manufacturing facility at Moraiya, near Ahmedabad, Gujarat, for manufacturing transformers and to part-finance incremental working capital requirements.

The Company manufactures a wide range of transformers while focusing on quality, timely delivery and customization. It has developed its products based on its in-house design and engineering capabilities, and is perhaps one of the few players to have developed this wide range of products without any third party technical collaboration or assistance. Its core competencies is its in-house technical and design expertise, skilled workforce and well equipped manufacturing facilities, which enables it to manufacture a wide range of transformers, to meet diverse client requirements.

The Company manufactures transformers upto 220 kV Class, having an installed capacity of 7,200

MVA transformers per annum. It currently operates through two manufacturing units, located at Changodar, near Ahmedabad and Odhav, in Ahmedabad, both in Gujarat. Its Changodar facility is ISO 9001-2000 compliant, and the ISO 9001-2000 certification has been renewed till September 1, 2010. It developed a strong domestic marketing network, and has marketing personnel in Chennai, Delhi, Kolkata, Pune and Mumbai. It has catered to a wide spectrum of transformer users in various industries such as petrochemicals, oil refining, cement, paper and pulp, pharmaceuticals, automobiles, steel, alloy plant, power plant, railways, mining, minerals, among others. Its key customers include utilities and power transmission companies. It has exported transformers to countries such as England, Canada, the United Arab Emirates, South Africa, Saudi Arabia and Indonesia.

Enam Securities Private Limited is the sole Book Running Lead Manager ('BRLM') to the Issue.

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The Company is proposing, subject to market conditions and other considerations, an initial public offering ('IPO') of its equity shares and has filed a Red Herring Prospectus ('RHP') with the Registrar of Companies in Ahmedabad. The RHP is available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), and on the website of the BRLM at [www.enam.com](http://www.enam.com).

Investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, see the section titled 'Risk Factors' of the Red Herring Prospectus before making an investment decision.

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**For more information, Please contact:**

**Adfactors PR**

PR Executive - Adfactors PR Pvt. Ltd.

22813565

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