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Shares of Wilmar's food joint venture climb in Mumbai debut

Mumbai

ADANI Wilmar, an Indian food company, surged in its stock trading debut following a US\$482 million initial public offering (IPO), the country's largest in 2 months.

Shares of the company, an equal joint venture between the business group controlled by Asia's richest person, Gautam Adani, and Singapore's Wilmar International, rose 16.6 per cent to 268.25 rupees on Tuesday (Feb 8). The stock was priced at 230 rupees in the IPO, at the top of a marketed range.

The IPO of Adani Wilmar was put on hold for about 2 months last year while government authorities probed the sprawling empire of Adani, whose net worth reached US\$88.5 billion on Monday. The food venture reduced the size of its IPO to 36 billion rupees from 45 billion rupees amid a recent decline in valuations for India's newest stocks.

The listing is India's largest since Star Health & Allied Insurance Co's US\$848 million IPO in December. More than 110 Indian firms raised a total of nearly US\$18 billion in 2021, a record year that included the debuts of food delivery platform Zomato and digital payments firm Paytm.

The Monetary Authority of Singapore, Volrado Venture Partners and Nippon Life India invested in the IPO from Adani Wilmar, which makes Fortune brand cooking oils, wheat flour, rice, pulses, sugar and other food products. It plans to use the funds it raised to expand existing manufacturing facilities, develop new ones, repay loans and make strategic acquisitions. BLOOMBERG