

# Motisons IPO shines; Muthoot, Suraj issues flop

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ON a busy day for new stocks entering the domestic bourses, two IPOs whose issues were fully subscribed were listed at a discount while one doubled investors' money as soon as it hit the exchanges.

Shares of Motisons Jewellers got listed at ₹109 on the NSE, a premium of 98% over its issue price of ₹55 apiece but Muthoot Microfin and Suraj Estate Developers stocks entered bourses at a discount of 5-6% each.

Motisons shares closed at ₹103.55 apiece, giving a return of 88.27% on the listing day. The strong listing was on the expected line given that the ₹151-crore IPO was subscribed by a whopping 159.61 times last week. Run by the Jaipur-based Chhabra family, Motisons has seen robust revenue and profit

growth in the past few years. However, there is some risk associated with the stock given the names of promoters, Sanjay Chhabra and Sandeep Chhabra, have appeared in investigations related to betting in IPL cricket matches.

Suman Bannerjee, CIO, Hedonova, a US-based hedge fund, said Motisons Jewellers, though launching at a 98% premium, seems to warrant caution given its challenges such as underperformance and dependence on third-party suppliers.

Suraj Estate Developers' shares opened at ₹340 apiece on the NSE, a 5.55% decline from the issue price of ₹360. The scrip fell further and closed its first day at ₹334.50. Shares of Muthoot Pappachan Group-backed Muthoot Microfin

(MML) debuted at ₹275.30 on the NSE, 5.40% lower than the offer price of ₹291. The stock fell further to close at ₹266.15.

Tepid listing of these two firms came despite their respective IPOs received a decent response amid ongoing bull run in the market. The ₹400 crore

IPO of Suraj Estate was subscribed 16.57 times while the ₹960 crore IPO of MML was booked 11.52 times at close.

Bannerjee said Suraj Estate presents a viable hold opportunity for medium to long-term investors, backed by steady growth and its niche in regulation 33(7) of DCPR while MML appears to be a solid choice for longer-term investments, with its focused approach on rural micro-finance, efficient management of NPAs, and fair valuation.



## NEW LISTINGS

### Bumper Listing of Motisons Jewellers

- Lists at 98% premium

### Two IPOs disappoint

- Suraj Estate lists at 5.55% discount
- Muthoot Microfin lists at 5.40% discount

