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M&B Engineering IPO Sees Strong Response with 2.9 Times Subscription on Day 2

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M&B Engineering Ltd's initial public offering (IPO) drew strong investor interest on its second day, with total subscription reaching 2.90 times. Investors bid for 2.83 crore shares against 97.98 lakh shares available.

Retail investors led the surge in demand, subscribing to 9.5 times their allotted quota. Non-institutional investors followed with 4.26 times subscription. However, qualified institutional

buyers (QIBs) showed limited interest, applying for only about 2 percent of their portion.

The IPO, which opened on July 30 and will close on August 1, is priced between ₹366 and ₹385 per share. The lot size is 38 shares. The issue includes a fresh equity issue of ₹275 crore and an offer-for-sale worth ₹375 crore by existing shareholders.

M&B Engineering raised ₹291.60 crore from 24 anchor investors before the public offering. Anchor participants included well-known institutions such as the Abu Dhabi Investment Authority, Societe Generale, and Pinebridge Global Funds.

The company specializes in pre-engineered buildings (PEB) and steel roofing solutions. It operates two business units: Phenix, which handles turnkey PEB projects, and Proflex, which manufactures roofing systems through mobile production units. As of March 2025, M&B had completed more than 9,500 projects and exported to 22 countries. The company reported consolidated revenue of ₹1,420.15 crore and a profit of ₹343.12 crore for FY25.

The IPO proceeds will be used to fund expansion of manufacturing capacity, acquisition of equipment, installation of solar rooftops, vehicle procurement, IT upgrades, loan repayments, and working capital needs.

Brokerages including Anand Rathi and Bajaj Broking have recommended subscribing to the IPO for the long term, highlighting M&B's strong margins, export presence, and operational diversity.

Market observers noted that the IPO has seen healthy grey market activity, with a premium of around 14 percent. Based on this trend, the stock is expected to list at approximately ₹443 per share.

Despite muted QIB participation so far, strong demand from retail and non-institutional investors signals optimism about the company's growth trajectory and fundamentals. The final day of bidding on August 1 will reveal the full extent of investor interest in this industrial sector player.