

Edelweiss Mutual F's IPO-focused scheme to go open-ended

CHIRAG MADIA
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Edelweiss Mutual Fund on Thursday announced that its initial public offer (IPO)-focused close-ended equity scheme will be converted into an open-ended fund. Edelweiss Maiden Opportunities Fund – Series 1 (EMOF), which has assets

worth around ₹522 crore, will be renamed Edelweiss Recently Listed IPO Fund and scout for investment opportunities in 100 newly-listed companies.

The move comes at a time when the IPO pipeline for the year has got stronger with 12 companies filing offer documents with the Securities and

Exchange Board of India (Sebi) this month.

EMOF was launched as a close-ended fund in February 2018, with a tenure of over three years, which ends in June 2021.

Radhika Gupta, MD & CEO, Edelweiss MF, said, "We believe converting this fund into an open-ended one will give a wider base

of investors access to this fund, thereby, democratising the IPO opportunities for these investors."

The fund provides access and right selection of IPOs to capture listing and post-listing gains and has returned 14.3 per cent as against 11.2 per cent of Nifty 500 TRI (benchmark). The fund has been invest-

ing in new-age businesses across multiple sectors that went public through IPO in recent years.

EMOF's existing unitholders have an option to exit at the prevailing net asset value, without exit load, from May 28 to June 28. While existing investors in the fund will not have to pay any exit load any time

in the future when they exit. New investors, who enter once the fund is converted from June 29, will be charged 2 per cent if they exit within six months.

The fund house said the scheme will invest in high-quality IPO stocks through its three-step strategy of selecting the right post-IPO stocks for investment.

