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## **Allied Digital Services board approves QIP up to \$50m**

Allied Digital Services is planning a qualified institutional placement (QIP) and has just received a nod from its board. Commenting on the same, Nitin Shah, Chairman, Allied Digital Services, says the company might use a greenshoe option and has received board approval to raise up to USD 50 million.

According to him, the company will enter into newer markets using the acquisition strategy. "However, we are yet to zero down on any company yet.

***Here is a verbatim transcript of the exclusive interview with Nitin Shah on CNBC-TV18. Also see the accompanying video.***

**Q: USD 50 million is what you have got the nod for, do you expect to raise the entire USD 50 million through a QIP and by how soon will you hit the market?**

A: I cannot tell you the timing. What we have done is we have enabled our QIP requirement and are waiting for the AGM or shareholders approval which probably may come at the end of this month. After that, we will create a QIP at the appropriate time.

**Q: Will it be all USD 50 million in one go?**

A: No, we have thought about liquidating some of our stock. We might use a greenshoe option but we have taken a limit up to USD 50 million

**Q: What exactly are you raising this money for?**

A: We had a very good success in US after we acquired the US-based company. In a years' time, we have a complete pan-US presence and fantastic clients that we have acquired. The same strategy we would like to use for other geographies too. So, we are looking out for some mandates. We have not yet zeroed down, but we feel that in this year also we will go ahead with the same strategy and enter into a newer, larger market using acquisition strategy.

**Q: Why do you need to do a stock split at the same time?**

A: This has happened as a coincidence; it has nothing to do with QIP. We thought probably the scrip was not looking so liquid. This was under a lot of thought and we decided to attract some good retail investors too, while at the same time make it more liquid for large investors to. This we thought was the right time. Before the AGM, we are putting forward this 1:2 stock split. (Two shares of Rs 5 for every one share of Rs 10)