

IPO market in revival mode, may cross ₹30K cr in 2016

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MUMBAI: After a revival in India's primary market this year, things are expected to gather further momentum with fund raising by corporates via initial public offers could cross ₹30,000-35,000 crore in 2016, say brokers and analysts.

In 2015, companies raised ₹13,602 crore via 21 IPOs, significantly higher than the ₹1,201 crore raised through just five IPOs in 2014.

Overall, fund raising via equity markets, which also includes FPOs (follow-on public offers), OFS (offer for sale) and QIPs (qualified institutional placements), rose 76% year-on-year in 2015, to ₹68,608 crore, according to Prime Database.

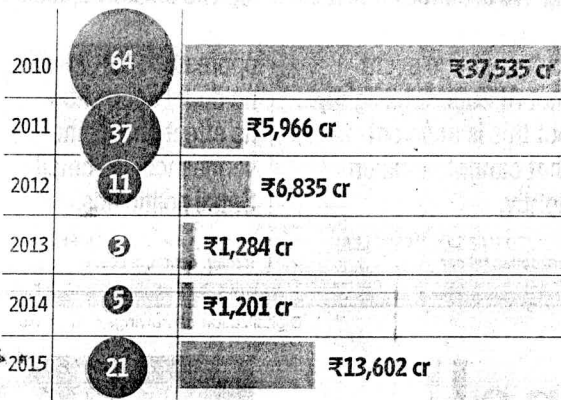
"A major revival was witnessed in the IPO market after four disappointing years. The year could have been better but for the deferment of several PSU (public sector undertaking) offerings," said Pranav Haldea, MD, Prime Database.

Looking ahead there are already at least 20 companies that have received approval from Securities and Exchange Board of India — the market regulator —

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Listing of big cos is expected boost fund raising in 2016

● No. of IPOs ■ Funds raised



SOURCE: PRIME DATABASE

to cumulatively raise over ₹7,300 crore. On Wednesday private sector dairy major Parag Milk Foods also got approval to raise ₹1,200 crore via an IPO.

Several other companies such as RBL Bank, L&T Infotech, VLCC Healthcare and Mahanagar Gas have filed draft papers with Sebi for a public issue.

Vodafone, the second largest

mobile phone operator in the country could come out with its IPO, which could be among the biggest in 2016.

Sebi too is enthused by the activity in the IPO market and is confident of things only picking up going ahead. "We are seeing some very positive signs in the market," Sebi chairman UK Sinha had said last week.