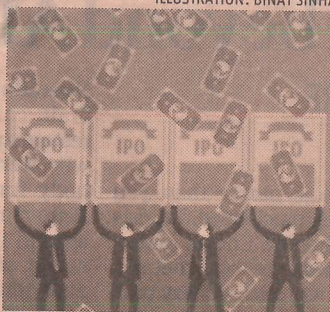


IPO fundraising halves to ₹59,412 cr in 2022, despite LIC's big deal

Fundraising via initial public offering (IPO) halved in 2022 to ₹59,412 crore from ₹1.18 trillion in 2021. If one were to remove state-owned Life Insurance Corporation's ₹21,008 crore offer, the amount would come to a third of that raised in 2021. The top five issues accounted for 60 per cent of the total fundraising. The turmoil in the markets has been cited as the reason for the dip. Although Indian equities have been an outperformer in 2022, the year was characterised by sharp volatility. A combination of strong participation from local investors and global liquidity aided the robust fund-raising in 2021.

ILLUSTRATION: BINAY SINHA



However, overseas liquidity drying amid aggressive monetary action by the US central bank dented the IPO mop-up in 2022 and the post-listing performance of the companies that made their market debut wasn't good either. The BSE IPO Index, a gauge tracking newly-listed

companies, dipped 28.3 per cent. The unsatisfactory performance of newly listed shares prompted the Securities and Exchange Board of India to order companies to disclose details on IPO pricing. The outlook for next year looks cloudy as global headwinds are likely to see companies shying away from the primary market.

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