

Primary market set for revival with \$10.7 bn IPOs in pipeline

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MUMBAI

The country's primary market may be headed for a revival with at least 71 companies firming up plans to launch their initial public offerings (IPO) in the second half of fiscal 2024, according to Delhi-based primary market tracker Prime Database.

According to Prime Database, these companies could raise as much as \$10.7 billion or ₹89,069 crore by selling their shares to the public and listing them on exchanges through IPOs in the coming six months.

Among the companies that have filed for IPOs, at least 41 have secured a nod from the Securities and Exchange Board of India (Sebi) and are likely to raise ₹50,940 crore from the public through IPOs.

Additionally, there are at least 30 companies that have filed offer documents and awaiting Sebi approval for their IPOs, aimed at raising around ₹38,129 crore, as per Prime Database.

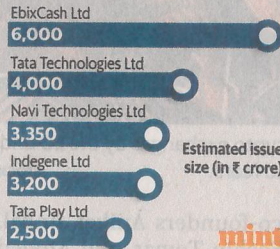
Bankers and market experts are upbeat about prospects of primary market after a lull.

"IPOs priced over the last 1-2 quarters have seen strong participation from all categories -

Going steady

At least 71 companies plan to launch their IPOs in the second half of fiscal 2024.

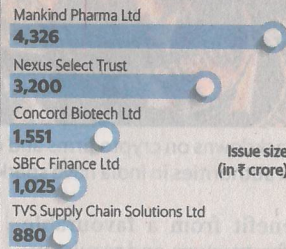
Sebi-approved IPOs that are still valid



Estimated issue size (in ₹ crore)

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Mainboard IPOs introduced since April 2023



Issue size (in ₹ crore)

Source: PRIME Database, and exchanges

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domestic & foreign institutional and retail investors. Headline number of IPOs have increased, however, most of

the IPOs are in the sub-\$150mm size range and large sized IPOs continue to elude markets," said Abhinav

Bharti, head of equity capital markets, JP Morgan.

"The euphoria in the secondary market is paving the way for many new companies to explore an opportunity of listing," said Abhijit Tare, managing director & CEO, Motilal Oswal Investment Advisors Ltd. This secondary market boom is on the back of foreign institutional investors and domestic institutional investors chasing the same set of stocks and leading the index rally, this move in the mainstream market is leading the benefit to small and mid-cap stocks allowing reasonable valuation for listing to the

newer companies. "I believe next 2-3 years are going to be very good for the IPO market, we may have a bumpy road in next 4-6 months though."

Some of the companies that have received Sebi approval for their IPOs are Ebixcash Ltd that plans to raise ₹6,000 crore, Tata Technologies Ltd (₹4,000 crore), Tata Play Ltd (₹2,500 crore), Navi Technologies Ltd (₹3,350 crore), and Indegene Ltd (₹3,200 crore).

"The IPO market in India is extremely robust currently," said Pinak Bhattacharyya, senior vice president-Head Corporate Finance, IIFL Securities Ltd.