

Main-board IPOs weather global storm this year

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The capital generated through mainboard IPOs dipped slightly to just over ₹52,000 crore in 2023 amid global volatility driven by rising interest rates and geopolitical risks, while the number of issues rose. Experts maintain a strong bullish outlook on the IPO market for 2024.

Excluding LIC's blockbuster maiden public issue of ₹20,557 crore in 2022, initial public offering (IPO) collection actually increased by 36% this year.

Notably, mid- and small-cap companies were in flavor this year, given the considerable tailwind in the markets.

The market environment for IPOs has been extremely robust in 2023, though the start of the year was tepid due to global headwinds.

"A key reason for the strong interest in IPOs has been an increased focus on profitability and reasonable

pricing of deals, at least relative to prevailing higher valuation multiples in listed peers. Another strong pillar of the Indian market ecosystem is the robust yet efficient regulatory framework," said Mahavir Lunawat, managing director,



Mainboard IPOs collected nearly ₹52,000 cr. ISTOCKPHOTO

Pantomath Capital Advisors.

V. Prashant Rao, director and head—ECM, Investment Banking, Anand Rathi Advisors, believes that the momentum of 2023 will roll over to 2024 and that could be a golden period for Indian primary markets.

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Around 24 companies, which have already received clearance from the markets regulator Sebi but are yet to launch their IPOs, are looking to raise over

₹26,000 crore.

Add to this, 32 more companies have filed their draft papers with Sebi and are awaiting clearances to mobilise more than ₹35,000 crore, according to data provided by Prime Database.