

Average IPO size fell to four-year low in 2023

SUNDAR SETHURAMAN
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The average initial public offering (IPO) size reached a four-year low in 2023 as the year was dominated by smaller-sized issues. Last year, the average IPO size shrank to ₹867 crore, the lowest since ₹773 crore in 2019, according to the PRIME Database report.

The average IPO size in 2020 was ₹1,774 crore. It was ₹1,884 crore and ₹1,483 crore in 2021 and 2022, respectively.

Thirty-eight of the 57 IPOs in 2023 had an issue size of less than ₹867 crore and only a third of the total IPOs had an issue size above ₹1,000 crore.

Mankind Pharma, which raised ₹4,326 crore, was the biggest IPO of the year, followed by Tata Technologies (₹3,042 crore), JSW Infrastructure (₹2,800 crore), India Renewable Energy Development Agency (Ireda) (₹2,150 crore), RR Kabel (₹1,964 crore), and Cello World (₹1,900 crore).

Investment bankers said some large issuances in the previous years had skewed the average issue size.

"In the next year, we will see the IPOs of new age companies coming back, and the average ticket size could go up," said Ajay Saraf, executive director of ICICI Securities.

The trend of same-sized companies dominating the IPO market also reflected the mood in the secondary market, where small and midcap stocks stole a march over the largecaps. In 2023, the Nifty Midcap 100 index gained 46.6 per cent while the Nifty Small Cap 100 rose 55.6 per

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	Number of IPOs	Issue amount (₹ crore)	Average issue size (₹ crore)
2019	16	12,362	773
2020	15	26,613	1,774
2021	63	1,18,723	1,884
2022	40	59,302	1,483
2023	57	49,434	867

Source: PRIME Database

Sanstar files draft papers with Sebi

Plant-based speciality products company Sanstar Ltd has filed its draft papers with capital markets regulator Sebi to raise ₹425-500 crore through an initial public offering (IPO). The total size of the IPO is up to 48 million equity shares, comprising a fresh issue of up to 40 million shares and an offer for sale of up to 8 million shares by its promoters and promoter group selling shareholders.

cent against the Nifty gain of 20 per cent.

"Investors believe the potential for growth and higher returns is in companies with smaller market capitalisation. Some large-sized issues in the past came with muted growth numbers and did not deliver returns post-listing. But we expect the foreign portfolio investments (FPI) will be more robust this year as rate cuts are likely to happen and larger issues

Jyoti CNC Automation sets IPO price band

Gujarat-based Jyoti CNC Automation on Thursday said it has fixed a price band of ₹315-331 per share for its initial public offering (IPO).

This will be the first public issue of 2024 on the main board of leading stock exchanges BSE and NSE. The IPO of Jyoti CNC will open for public subscription on January 9 and end on January 11. The anchor book of the offer will be opened for a day on January 8, the company said.



could hit the markets," said Ajay Garg, managing director of Equirus Capital.

In 2023, 57 companies raised ₹49,434 crore through IPOs, 17 per cent lower than the previous year's ₹59,302 crore raised by 40 IPOs. The outlook for next year is robust, with 27 firms proposing to raise ₹28,500 crore holding Sebi approval, and another 36 companies looking to raise ₹40,500 crore are awaiting the regulator's nod, the report said.