

FY24: The mega year for IPOs

Strong pipeline in FY25 as Ebixcash, Go Digit and Tata Play get ready to tap the market

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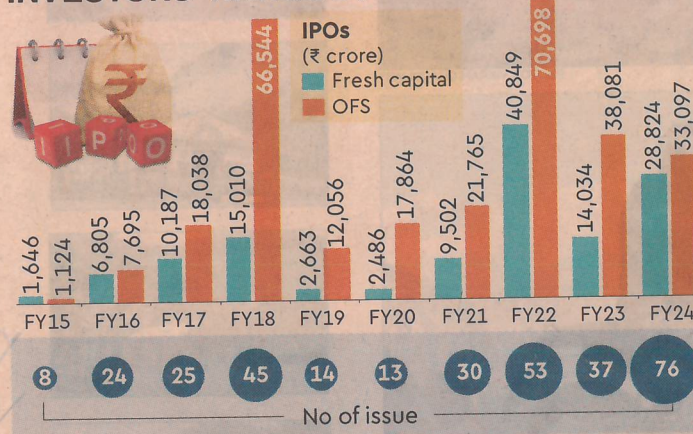
THE INITIAL PUBLIC offering (IPO) market was buzzing with action in FY24, as a large number of medium and small companies rushed to raise money in a booming stock market.

In FY24, a total of 76 companies raised ₹61,921 crore, reflecting an 18.8% increase over FY23. Among them, only four firms surpassed the ₹2,000-crore mark — these included Mankind Pharma (₹4,326 crore), Tata Technologies (₹3,043 crore), JSW Infra (₹2,800 crore), and the public sector firm Ireda (₹2,150 crore). Nearly 25 companies raised less than ₹500 crore each.

Going forward, the pipeline looks strong in FY25 as well. According to data from Primedatabase, 19 companies have received regulatory permission to launch IPOs worth around ₹25,000 crore. These include around 4 big ones of over Rs 2,000 crore. The biggest one will be Ebixcash, which plans to raise ₹6,000 crore. It is followed by GoDigit General Insurance, Indegene and Tata Play who plan to raise between ₹2,500 crore to ₹3,500 crore. Also, another 37 companies looking to raise ₹45,000 crore are awaiting the regulator's approval.

Retail investors became more active in the IPO market both in the mainboard and SME segment during the year, which led to higher subscriptions, said Dhiraj Relli, MD and

INVESTORS' HANGOUT



TOP IPO PERFORMERS IN FY24

Company	Issue price (₹)	Current price (₹)	% gain
IREDA	32	135.90	324.7
Signatureglobal (I)	385	1359.20	253.0
Netweb Technologies	500	1607.65	221.5
Motisons Jewellers	55	160.05	191.0
Cyient DLM	265	720.20	171.8
Azad Engineering	524	1367.85	161.0
Jyoti CnC Automation	331	821.45	148.2
Senco Gold	317	771.35	143.3
BLS E-Services	135	310.00	129.6
Mankind Pharma	1,080	2300.75	113.0

Source : primedatabase.com

CEO of HDFC Securities.

Dhiraj Relli, MD and CEO of HDFC Securities, said that retail investors became more active in the IPO market both in the mainboard and SME segment during the year, which led to higher subscriptions.

One of the most sought-after public issues in FY24 was Tata Technologies, marking the first IPO by a Tata Group company in two

decades. The issue broke several records and the stock more than doubled investor wealth on the listing day itself.

Other IPOs also thrived, with 13 stocks listed last year now trading at over double their issue price. Overall, 54 out of 75 stocks are trading above their issue price, reflecting robust market reception and investor confidence.

“The IPO market has done well, (but) so has the overall listed space. I think the true test of the IPO market would probably be in a downcycle or benign equity cycle,” said Aniruddha Naha, executive director at PGIM India Asset Management Company.

While FY24 was in many ways similar to the previous two years, which saw a strong primary market, there was a sharp increase in the number of smaller IPOs this year. The average issue size this year was around Rs 800 crores as against Rs 1,000-2,100 crores in the previous 7 years.

FY24 marked the third consecutive year of the Indian primary market, witnessing issues worth over Rs 50,000 crores. Market participants believe this trend to persist into FY25, given the pipeline of pending public issues awaiting approval from the market regulator, the Securities and Exchange Board of India (Sebi).

The momentum in the primary market will continue as long as the secondary market remains buoyant and there are no series of IPOs listing at a discount to the issue price, Relli added.

“Going forward, we will continue to see issuances in technology, consumer, industrials, and financial services sectors due to favourable sector tailwinds, growing consumer demand with rising income. Another area of interest would be companies in power and renewables space, as we believe rising urbanisation and increased demand from manufacturing and services sectors will entail additional capacities in this space,” said Neha Agarwal, MD & head of equity capital markets at JM Financial.