

Business Standard

THE MARKETS ON MONDAY

		chg#
Sensex	77,341.1	▲ 131.2
Nifty	23,537.9	▲ 36.8
Nifty Futures*	23,669.8	▲ 132.0
Dollar	₹83.5	₹83.5**
Euro	₹89.5	₹89.4**
Brent crude (\$/bbl)	84.9##	85.1**
Gold (10 gm)###	₹71,328.0	₹1,127.0

* (July) Premium on Nifty Spot; ** Previous close;
 # Over previous close; ## At 9 pm IST;
 ### Market rate exclusive of VAT; Source: IBSA



COMPANIES P2
INDIAN FAMILY OFFICES TAKE A BIG LEAP WITH NEW INVESTMENTS

COMPANIES P3
NOIDA AIRPORT FACES DELAY, TO START FLIGHT OPS BY APRIL 2025



PUBLISHED SIMULTANEOUSLY FROM AHMEDABAD, BENGALURU, BHOPAL, BHUBANESWAR, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI AND PUNE

IPO tally sees best first half in 17 yrs

37 firms mop up ₹32K cr on mkt buoyancy, strong liquidity

SUNDAR SETHURAMAN
 Mumbai, 24 June

IN FULL SWING

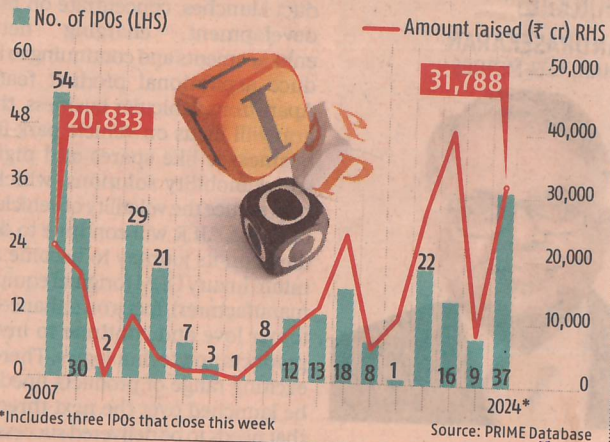
In a sharp deviation from the past, election uncertainty didn't make any dent in IPOs this year

Half-year trend

It is not just the secondary market that is setting new records, the primary market is also buzzing with energy. The three initial public offerings (IPOs) closing this week will mark the best first half for the primary markets in 17 years.

During the first half, 37 companies—from diverse sectors like co-working space, furniture retailing, and online ticket booking—have been able to tap the market to raise almost ₹32,000 crore, according to data provided by PRIME Database. In 2007—the peak of the bull market—54 companies had raised ₹20,833 crore.

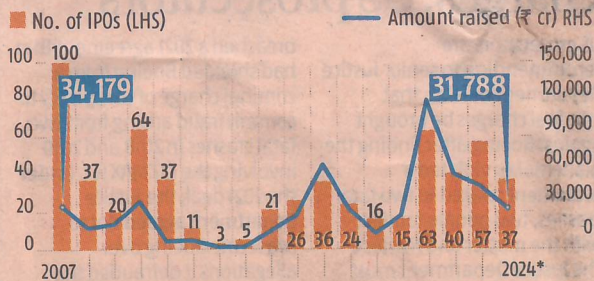
In terms of the quantum of funds raised, this year's tally is the second-best ever after 2022 when 16 firms raised ₹40,311 crore, led by the biggest-ever IPO of state-owned Life Insurance Corporation of India (LIC).



GLEAM IN THE EYE: Why Hyundai is once again eyeing an IPO in India, 25 years after its failed first attempt **TAKE TWO P17**

If one excludes the amount raised by the LIC IPO, this year is the best for the IPO market in terms of the number of issues as well as the amount raised. **Turn to Page 5**

FULL-YEAR TREND



Note: *Includes three IPOs that close this week

Source: Prime Database

IPO tally...

Compared to the first half of last year, the funding has jumped four times, underpinned by strong liquidity support from both foreign and domestic investors. Also, supportive valuations from the secondary market, which provide cues for the primary market, have encouraged new issuers to go public.

Notably, the record deal-making this year is a sharp deviation from past election years, when the IPO markets turned moribund. In the first half of 2019, only eight firms raised ₹5,509 crore. In 2014, only one issue came during the first six months, and in 2009, two issues raised ₹302 crore.

Unlike previous election years, bankers said there was more certainty regarding the outcome.

“There was never confusion about regime continuity. While the markets were gyrating a little bit, there was no risk to stability at the Centre and policy continuity, which gave issuers the comfort of not wanting to wait for the outcome because the outcome seemed imminent,” said Chirag Negandhi, managing director at JM Financial.

Negandhi said there was enough liquidity in the system from domestic institutions, family offices, and high-net-worth individuals (HNIs) to support good issues.

So far this year, domestic mutual funds (MFs) have pumped more than ₹1.85 trillion into domestic stocks.

“And even though foreign investors might be net sellers at certain times, they are not short on India. They lap up issues if they see value,” said

Negandhi.

Among the IPOs, Bharti Hexacom raised the largest amount, ₹4,275 crore, followed by Aadhar Housing Finance (₹3,000 crore). The smallest IPO was that of Vibhor Steel Cubes, which raised ₹72 crore.

The average deal size reduced slightly from ₹896 crore in the first half of 2023 to ₹859 crore this year. So far in 2024, the Sensex has gained 6.8 per cent and the Nifty 8.1 per cent. The broader Nifty Midcap 100 rallied 20 per cent and the Nifty Smallcap 100 20.5 per cent. Newly listed

firms have also handsomely rewarded investors. The BSE IPO index, a gauge tracking newly listed firms, has risen 21.8 per cent this year.

The financial sector dominated, raising ₹7,879 crore, which accounted for a fourth of the total capital raised.

Going forward, bankers said the issues might pause before the Union Budget, but the pipeline remains equally strong for the remaining six months, with some marquee names such as Swiggy, Hyundai India, and Ola looking to hit the market.