

# Draft IPO paper filings surge after poll results

## 33 companies filed DRHPs with Sebi in July and August

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Mumbai, August 27

A LARGE NUMBER of companies have shown renewed interest in launching their initial public offerings after the outcome of the Lok Sabha elections. In August alone, 17 companies have filed draft red herring prospectus (DRHPs) with the Securities and Exchange Board of India (Sebi) – the highest in a month at least in more than a year, according to PRIME Database.

Sixteen companies filed draft papers to launch public issues in July. Comparatively, in the first half of 2024, an average of 9 companies had filed DRHPs with Sebi every month, as per the data.

Data indicate that the IPO market will remain buzzing for the rest of the year, given the current market dynamics, market participants said.

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## STRONG APPETITE

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tions would go. They were firming up their plans. They were keeping the documents ready, but wanted to see the market situation after elections,” said Ramnish Kochgave, president of investment banking firm Elara Capital.

Some of the big names that have filed DRHPs in the last couple of months include JSW Cement, Hero FinCorp, Niva Bupa Health Insurance Co, Ecom Express, Kalpataru, Hero Motors and Smartworks Coworking Spaces.

Given higher valuations in the secondary market, the demand for IPOs has been strong, analysts said. However, they said even IPOs are



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coming at reasonable valuations, and are not cheap.

“Most of the companies are making money for the clients. The quality of issues that are coming in is also good, though valuations are a little high,” said Vinit Bolinjar, head of research at Ventura Securities.

Recent listings have done particularly well, with the likes of Ola Electric Mobility, Brainbees Solutions, Interarch Building Products and Unicommerce eSolutions gaining 30-100% from their issue price after their debut on the Street this month.

Investment bankers say they continue to see more companies from

the unlisted space coming to the market, given the attractive market dynamics and India’s strong macroeconomic fundamentals.

“We are not seeing any slowdown in filings or companies calling for pitches. This year, given the filings that have already happened and those that are in the pipeline, we don’t see things slowing down. We should see a very robust IPO market,” Kochgave said.

Data showed that the average issue size was more than ₹2,300 crore in July and August, compared with ₹2,500 crore seen in the first half of 2024.