

Business Standard

THE MARKETS ON WEDNESDAY

		chg#
Sensex	85,169.9	▲ 255.8
Nifty	26,004.2	▲ 63.8
Nifty Futures*	26,126.7	▲ 122.5
Dollar	₹83.6	₹83.7**
Euro	₹93.5	₹93.2**
Brent crude (\$/bbl)	74.1##	74.9**
Gold (10 gm)***	₹74,947.0	₹482.0

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



COMPANIES P2

FATE OF RELIGARE OPEN OFFER IN
REGULATOR HANDS: RASHMI SALUJA

BACK P22

AUSPICIOUS NOVEMBER STARS
SHINE ON WEDDING BUSINESS



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₹50,000 cr mega IPOs may make it cracker of a Diwali

Three of India's biggest initial offerings are in the offing

SUNDAR SETHURAMAN
Mumbai, 25 September

The stage appears set for the launch of initial public offerings (IPOs) worth over ₹50,000 crore around Diwali — in late October or early November.

Among the major upcoming offerings is carmaker Hyundai Motor India's IPO, which is expected to become the largest-ever in the country at over ₹25,000 crore. In tow are foodtech major Swiggy's issue with an estimated size of ₹11,600 crore and renewable power player NTPC Green Energy's ₹10,000 crore offer.

If these IPOs are successfully executed, they could further cement India's position as a major global market power, while encouraging more companies to consider listing in the country, where valuation premium is among the highest globally.

In addition to the aforementioned marquee IPOs, offerings by Shapoorji Pallonji Group's Afcons Infrastructure (an infrastructure con-

BLOCKBUSTER OFFERS

Biggest IPOs in India, including those in the pipeline

	IPO open	Issue size (₹ cr)
Hyundai Motor India*	NA	25,000
LIC	May 4, '22	20,557
Paytm	Nov 8, '21	18,300
Coal India	Oct 18, '10	15,199
Swiggy*	NA	11,600
GIC Re	Oct 11, '17	11,257
SBI Cards	Mar 2, '20	10,341
Reliance Power	Jan 15, '08	10,123
NTPC Green Energy*	NA	10,000
New India	Nov 1, '17	9,586

*Issue size according to sources/early filing
Source: PRIME Database

► EXCHANGES CALL FOR BETTER
SCRUTINY ON IPO-BOUND SMEs

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WITH ₹64,559 CR IN THE BAG, 2024 AMONG BEST YEARS FOR IPOs

In 2024, thus far, 63 companies have raised ₹64,559 crore through mainboard initial public offerings (IPOs), the third-highest mopup during any financial year and a 29 per cent increase over 2023. Investor enthusiasm, boosted by mid- and small-cap stock rallies, is driving IPO interest. The pipeline remains strong, with 25 companies approved to raise ₹63,550 crore and another 48 awaiting approval for ₹91,805 crore.

DEEPAK KORGAONKAR & PUNEET WADHWA

Mainboard IPOs:
Big numbers in
recent years

Year	No.	Amt (₹ cr)
2015	21	13,614
2016	26	26,494
2017	36	67,147
2018	24	30,959
2019	16	12,362
2020	15	26,613
2021	63	118,723
2022	40	59,302
2023	57	49,436
2024*	63	64,559

*Until September 24
Sources: Exchanges,
PRIME Database



IPO fundraising in 2024 may exceed ₹1.2 trn with Diwali offers

Market experts suggest that these IPOs could cap a record-breaking year for India in terms of equity capital raising. So far 2024, 63 firms have launched IPOs, amassing ₹64,559 crore, and should these planned offerings proceed as anticipated, total fundraising could exceed ₹1.2 trillion — the highest on record. In terms of the number of IPOs, 2024 is shaping up to be the strongest year since 2007, which saw 100 listings.

South Korean auto major Hyundai Motor's Indian arm and SoftBank-backed Swiggy have both received regulatory approval for their IPOs. Sources indicate that bankers are actively engaging with potential investors to finalise valuations, which will ultimately determine the sizes of these IPOs.

State-owned NTPC Green Energy, a wholly-owned subsidiary of NTPC, India's largest power producer, filed its draft red herring prospectus (DRHP) with the Securities and Exchange Board of India (Sebi) last week, and is pushing for a swift approval to hit the market next month.

"Hyundai Motor India's IPO signals that more multi-

nationals are keen to list their Indian subsidiaries, marking a reversal from the earlier trend of Indian firms seeking overseas listing for better valuations," noted Deepak Kaushik, group head of equity capital markets at SBI Capital Markets. "This will be the first carmaker to hit the Indian market since Maruti Suzuki's IPO in 2003. India's equity

market has evolved into one of the largest globally."

Investment bankers attribute the buoyant sentiment to robust demand from both institutional and retail investors, providing issuer companies with the valuation confidence needed to enter the market. "Market inflows are healthy from both domestic and foreign institutional investors, as well as retail participants. Mutual funds, in particular, are sitting on a lot of cash and that needs to be deployed," said Kaushik.

Thus far in 2024, domestic institutional investors have been net buyers to the tune of ₹3.23 trillion, while foreign portfolio investors (FPIs) have acquired shares worth ₹92,345 crore, ensuring robust demand both during and after IPO listing. The BSE IPO Index, which tracks newly list-

ed firms, has surged 31.3 per cent compared to a 17.5 per cent gain in the Sensex this year, so far. Both equity benchmark indices — Sensex and Nifty — are hovering at record highs.

Bankers highlighted that Swiggy, which has revolutionised the Indian e-commerce landscape, is coming to market at a time when such companies are focusing on profitability.

NTPC Green Energy's upcoming issue underscores the broader shift towards renewable energy.

"In the coming months, you will see many more IPOs from the renewable energy sector hitting the market. The pipeline is far more promising than it was before, and next year is expected to be even more exciting," said an investment banker.

BEST MONTHS FOR IPOs

	No. of IPOs	Amount raised (₹ cr)
Nov 2021	9	35,664
May 2022	8	29,511
Nov 2017	3	18,824
Aug 2021	8	18,242
Oct 2010	5	17,673
Aug 2024	10	17,110

Source: PRIME Database