

Business Standard

THE MARKETS ON MONDAY		
		chg#
Sensex	73,085.9	▼ 112.2
Nifty	22,119.3	▼ 5.4
Nifty Futures*	22,259.8	▲ 140.5
Dollar	₹87.4	₹87.5**
Euro	₹91.1	₹91.0**
Brent crude (\$/bbl)	73.6##	73.3**
Gold (10 gm)###	₹84,978.0	₹263.0

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



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XI PREPARES CHINA STIMULUS PLAN AS TRUMP TARIFFS LOOM

BACK P14

ePLANE, ETAC JOIN FORCES TO GIVE WING TO FLYING TAXIS IN INDIA



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IPO filing halves in Feb as equity selloff deepens

DRHP filing slips to 3-month low with fundraising plans at 9-month nadir

SUNDAR SETHURAMAN
Mumbai, 3 March

Last month, only 14 companies filed draft red herring prospectus (DRHPs), a sharp drop from 29 in January and the lowest since November 2024. In total, these 14 companies are looking to raise ₹9,695 crore — the lowest in nine months. A DRHP is a preliminary document filed before an initial public offering (IPO), containing essential details such as the number of shares offered, financial results, and risk factors.

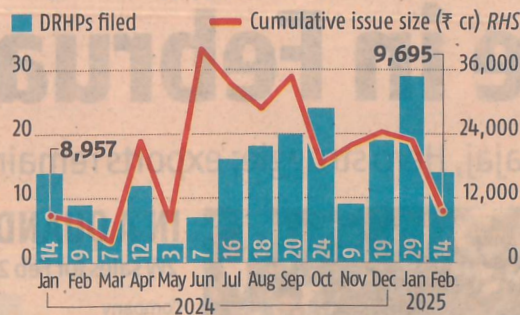
The decline in filing for IPOs suggests that companies are becoming reluctant to go public. "The reduction in filing in February reflects overall market sentiment. Companies are in a wait-and-watch mode, hoping for stability or a return of bullishness before proceeding with their filing. While the markets have been volatile since October, Donald Trump's return to the White House in January and the ensuing uncertainty have made investors extremely cautious," said Pranav Haldea, managing director of PRIME Database.



ILLUSTRATION: ALAYA MOHANTY

IN SLOW LANE

Filings could slow more in coming months, say experts



Source: primedatabase.com

SEC II, P1

Brokerage stocks sink as mkt chill sets in

Brokerage stocks posted sharp losses on Monday amid fears that the ongoing selloff may lead to a contraction in business. Adding to the negative sentiment were concerns over the potential impact of new proposals for the derivatives market put forth by Sebi last week.

► RIL STOCK SLUMP TRACKS WEAK EARNINGS

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Weak market sentiment slows IPO filings

“A slowdown in filing is inevitable when existing deals are not going through. In a weak market, there is less urgency to push deals,” said Ajay Garg, founder and managing director of Equirus Capital. “Additionally, IPO-bound companies must factor in the changed global realities and their impact on their businesses while filing their offer documents.”

Among the companies that submitted their offer documents to the markets regulator in February were WeWork India Management, Veeda Clinical Research, Atlanta

Electricals, Amanta Healthcare, and Glottis.

Bankers attribute the slowdown in filing to weakened market sentiment caused by the secondary market rout that began in October 2024. The equity markets have faced sustained selling pressure over the past five months due to slowing corporate earnings, valuation concerns, and a strengthening dollar.

Rising US bond yields, driven by policy shifts following Trump’s return to the presidency, have further prompted foreign portfolio investors (FPIs) to reduce their exposure

to emerging markets such as India.

So far in 2025, the Nifty 50 has declined 6.5 per cent, pressured by persistent FPI selling. From its peak, the index has dropped 15.6 per cent, while the mid and smallcap segments have suffered sharper declines. The Nifty Midcap 100 and Nifty Smallcap 100 have fallen 21 per cent and 25.4 per cent, respectively, from their peaks.

Notably, most IPO-bound companies belong to the small and midcap space.

FPIs have offloaded shares worth ₹1.24 trillion in 2025, and

analysts note that without strong domestic institutional buying, the impact of these outflows would have been even more severe.

Bankers expect the primary market to remain subdued as long as the secondary market selloff persists.

But Garg remains optimistic about the long-term prospects of the IPO market, stating: “While there might be a temporary slowdown in DRHP filing, the IPO market will remain robust in the long term as long as India’s growth trajectory continues to inspire investor confidence.”