

Promoters & private equity firms took advantage of high valuations to offload stake

# Equity, debt fundraising at all-time high in FY25

ANANYA GROVER  
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**FUND-RAISING THROUGH DEBT** and equity by Indian companies touched an all-time high in FY25. This was primarily fuelled by high valuations that offered attractive opportunities for stake dilution.

According to Prime Database, equity fundraising stood at ₹3.71 lakh crore in 2024-25, an increase of 92% from ₹1.90 lakh crore raised in 2023-24. Adding rights issues of ₹16,167 crore (including of InvITs/ReITs), the overall equity fund raising nearly touched ₹3.88 lakh crore in 2024-25.

Similarly, debt fund-raising also reached an all-time high of ₹11.12 lakh crore (including of InvITs/ReITs) of which ₹11.04 lakh crore was through private placement of debt and ₹8,044 crore through public bonds.

The report revealed that 78 corporates raised ₹1.62 lakh crore through main board initial public offerings (IPOs), more than 2.5x from ₹61,922 crore mobilised by 76 firms in the previous fiscal. According to Pranav Haldea, managing director, Prime Database, new age technology companies (NATCs) made a comeback in 2024-25, after two relatively quiet years, with eight IPOs (Afwis, Blackbuck, Digit Insur-



## FUND MOBILISATION-PUBLIC MARKETS

(₹ cr)	IPOs (incl.SME)	FPOs	OFS (SE)*	QIPs**	InvITs/ ReITs/SM	Total RelTs	Public Bond #	Total <sup>^</sup>
FY25	1,71,519	18,143	30,741	1,43,052	8,006	3,71,460	8,044	3,79,504
FY24	67,894	26	24,569	80,499	17,116	1,90,104	20,787	2,10,890
FY23	54,350	—	11,159	10,235	1,166	76,911	8,944	85,855
FY 22	1,12,512	4,314	14,530	28,532	13,841	1,73,728	11,710	1,85,438
FY21	31,512	15,029	28,440	81,731	33,515	1,90,227	10,585	2,00,812

\*incl. InvIT/ ReIT OFS(SE)\*\*incl.SME/ InvIT/ ReIT QIPs # incl. InvIT/ ReIT-Public Debt <sup>^</sup>Equity + Bonds

ance, Firstcry, Ixigo, Mobikwik, Swiggy and Unicommerce) raising ₹21,438 crore.

The retail investors' interest also rose in these offers, as the average number of applica-

tions from them rose to 2.13 million in 2024-25 compared to 1.31 million last year. This was buoyed by strong listing performance, according to Haldea as 46 of the 78 IPOs

continue to trade above the issue price.

In fact, the average return of the 78 IPOs of 2024-25 has been 15% despite the market correction in the second half of

the year. This bursts the myth that IPOs are 'always overpriced' and do not provide long-term returns, added Haldea.

Sorbh Gupta, senior fund

manager at Bajaj Finserv Asset Management said, "In fact, banks' credit offtake wasn't so great, primarily because promoters were able to raise capital in debt and equity market quite easily in the first half of the year. Of course, things did get bit tighter in the latter half of the year."

Market experts believe that if private capex picks up in the next financial year, more capital might be raised by companies. However, it will be a function of the market conditions. Gupta expects things to improve in the second half of the next financial year.

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Ajit Mishra, senior vice president of research at Religare Broking said debt fund-raising has reached record levels due to lower yields and robust investor demand. He added that both promoters and private equity firms were able to capitalise on the market momentum to reduce debt and raise growth capital.

The report also noted that the pipeline continues to be strong, with 49 companies, who have received Sebi's approval, proposing to raise as much as ₹84,000 crore. In addition, another 67 companies are awaiting the regulator's nod to



raise about ₹1.02 lakh crore. However, according to Haldea, given the recent market volatility, issuers seem to be in a wait-and-watch mode. In March, there were no mainboard IPOs – the first month since May 2023.