

Wednesday, July 2, 2025

mint

livemint.com



Can ITC Foods replicate its Aashirvaad success? ▶ P12



Promoter stake sales surge seven-fold in Q1 ▶ P4

SENSEX 83,697.31 ↑ 90.85

NIFTY 25,541.80 ↑ 24.75

DOLLAR ₹85.54 ↑ ₹0.22

EURO ₹101.05 ↓ ₹0.52

OIL \$68.38 ↑ \$1.59

POUND ₹117.82 ↓ ₹0.38

IPO street is lighting up as hopes swell, worries fade

More than 50 companies have got IPO approvals and over 50 filed their papers

Priyamvada C
priyamvada.c@livemint.com
MUMBAI

A spurt in activity signals that India's public listing market is bouncing back after a lull as cooling global uncertainty rekindles investor appetite, giving companies the confidence to debut on stock exchanges.

In the past week, HDB Financial Services Ltd's ₹12,500 crore initial public offering (IPO) sailed through. Alongside, prominent startups including Wakefit, Curefoods, Shadowfax and Pine Labs filed their draft papers with the regulator.

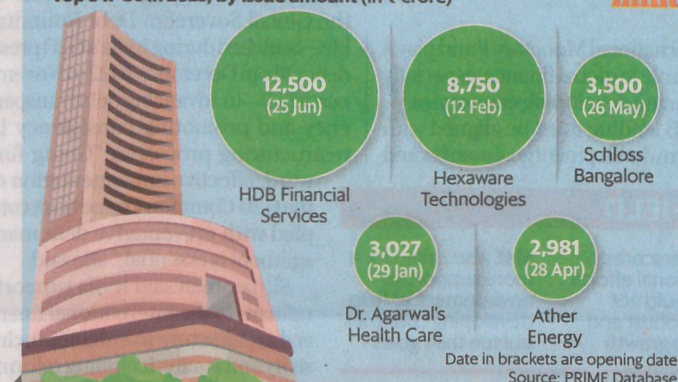
More than 50 companies have already received approval from the Securities and Exchange Board of India (Sebi) and are waiting to favourably time their listing date based on market conditions and performance, according to data from Prime Database. Among them are Bluestone, Kent RO Systems, Indique Spaces, Anthem Biosciences, Aye Finance and Veritas Finance.

"The current IPO pipeline is more than \$45 billion with more than 50 companies wanting to tap IPO markets, a large part of which will likely get listed in second half

MARKET MANTRA

In the first six months of 2025, about 24 companies went public to raise about ₹45,334 crore

Top 5 IPOs in 2025, by issue amount (in ₹ crore)



IPO AVENUE

EASING geopolitical tensions and trade woes lift sentiment

NIFTY fell 6.7% from 1 Jan till 7 April before rebounding

THE selling intensity of FII's eased; they turned net buyers

PARAS JAIN/MINT

of this financial year," said Kaushal Shah, managing director and head-equity capital markets, Kotak Mahindra Capital Co, adding that the momentum will continue, and investor sentiment will grow stronger.

That's not all. Over 50 firms have filed their draft papers with Sebi and are waiting for the regulator's approval to go public by

later this year or early next year. According to Prime Database, these include Tata Capital, Physicswallah, Pine Labs, Capillary Technologies, CureFoods, Orkla India, Gaja Capital, Shiprocket, Groww, Urban Company, Lalithaa Jewellery Mart, Hero Motors. Others such as German Green Steel and Power, Silverton Industries, and Juniper Green Energy have

also filed their preliminary papers with the regulator over the last week.

In the first six months of 2025, about 24 companies went public to raise about ₹45,334 crore compared with ₹31,279 crore across 36 companies a year earlier, according to Prime Database. However, 2024 was a record year for IPOs with ₹1.59 trillion raised across 91 companies. The pace slowed as global uncertainty deepened after September last year.

The recent de-escalation in geopolitical tensions, expectation of easing trade uncertainties coupled with other macro factors like strong GDP growth and reduction in interest rates has resulted in reduced market volatility, reinforcing investor confidence enabling recovery in deal activity, said Amitabh Malhotra, vice chairman of investment banking at HSBC India.

"The recovery started from April 2025 onwards when the selling intensity of FIIs eased, with them turning net buyers..." Malhotra said. "With many companies getting ready/already lining up for public filings and on the back of the robust H2 2025 pipeline, we believe the momentum would continue."

TURN TO PAGE 4

IPO rush returns after a lull as shareholders seek exits

FROM PAGE 1

Startups including Inframar-ket, Ofbusiness, Moneyview, Kissht, Meesho and Turtle-mint are also expected to file their draft papers soon.

The Indian capital markets are seeing a diversity of sectors tapping an IPO on the back of strong macro and company performance, according to Shah of Kotak Mahindra Capital. "The capital markets are providing an alternative for raising growth capital as well as monetization by shareholders, which otherwise have been restricted."

The rebound in IPO activity reflects investor optimism after a period of volatility triggered by US President Donald Trump's decision to impose tariffs on trading partners and geopolitical tensions since the beginning of this year.

The Indian markets remained volatile in the past six months, with Nifty falling 6.7% from 1 January till 7 April, before scripting a rebound to near record levels. Increased uncertainty meant

IPOs also dried up, with April accounting for only \$350 million. Many companies were also forced to review their issue sizes and valuations, while companies like LG Electronics India decided to delay their market debut to wait for more favourable market con-



The IPO activity rebound reflects investor optimism after volatility from US President Donald Trump's tariffs.

HT

ditions.

However, May and June saw \$2.7 billion worth of IPOs, backed by a revival in secondary markets, sell downs and follow-on fund raises, Kotak's Shah said.

Some of the prominent issues this year include HDB Financial Services IPO late last month, Hexaware Technologies Ltd.'s ₹8,750 crore issue in February, Schloss Bangalore's ₹3,500 listing in May, Dr. Agarwal's Health

Care's ₹3,027-crore offering in January and Ather Energy's ₹2,981 crore IPO in April.

"While there have been few isolated cases of some of the startups having faced delays in their IPO process because of market and geopolitical conditions, we can expect to see

many of them hit the street in the next 3-6 months," said Abhishek Bhagat, managing director of JM Financial's Digital & Technology Investment banking arm. "Valuations have also undergone some correction over the last few months as the delta between the expected and the trading price has reduced," he added.

For example, Ather Energy reduced the size of its IPO to a little over ₹2,600 crore at the time of the listing, down from the initial target range of up to ₹3,100 crore. Its valuation also narrowed to \$1.4 billion, lower than its previous target of \$2 billion.

Valuation calibration in some of the recent issuances reflects the sensitivity surrounding external factors despite the market being at a nine-month high, said Malhotra of HSBC India.

For an extended version of this story, go to livemint.com