

Western India no longer biggest region for equity fundraising

South, North gain ground, with their shares rising to 20-30% from 13-14% in March 2019

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A little more than two out of every three rupees raised in equity capital went to companies in Maharashtra, Gujarat, and other parts of western India before the pandemic. This share has now dropped below 50 per cent.

The western region accounted for 68 per cent of the amount raised through equity issues as of March 2019, shows a *Business Standard* analysis of regulatory data. This has dropped to 44 per cent as of June 2025. The analysis considered amounts raised on a rolling five-year basis to even out the effect of large issues. Meanwhile, the share of the South and the North has risen to 20-30 per cent. Both were around 13-14 per cent in March 2019.

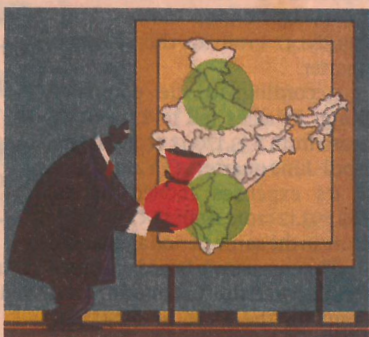
Maharashtra and Gujarat have been the traditional hotbeds of entrepreneurial and business activity, which also explains the historical concentration of equity fundraising in the western region, according to Pranav Haldea, managing director (MD) at Prime Database. The changes in the economy towards services and technology-led businesses, with many enterprises in places like Bangalore, NCR (National Capital Region), and elsewhere, may sustain a shift away from the western region, according to him.

The Delhi-NCR area has mostly seen equity capital markets interest from service-based companies, noted Manoj Kumar, partner and head of mergers & acquisitions and investment banking at Delhi-based financial services venture Corporate Professionals. Places like Jalandhar and Bathinda have seen more companies from the manufacturing space eye capital markets. They include those manufacturing food products, auto components, steel, solar panel, and pharmaceutical CDMO (contract development and manufacturing organisation) companies.

"In nearby industrial areas like Meerut and Kanpur in Uttar Pradesh; and Indore and Gwalior in Madhya Pradesh; a lot of companies are thinking of coming out with initial public offerings," he said.

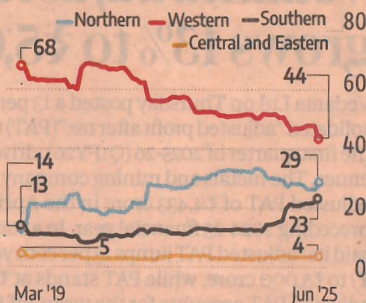
Many North Indian promoters have set up family offices over the years, which have invested in a range of ventures, according to Kumar. The capital market is one way for them to see an exit. A larger

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Higher share of North, South in fundraising

Rolling 5-year regional share of equity capital raised (in %)



Sources: Sebi, *Business Standard* calculations

base of technology startups in the South, in places like Bangalore and Hyderabad, may result in more high-value IPOs from the southern region, said Kumar. The volume of transactions is expected to remain higher in the North, he added.

Western India's share of registered investors has dropped to 30.1 per cent as of May 2025 and the region no longer accounts for the largest share of investors, according to National Stock Exchange (NSE) data. It was the largest regional group with a 35.2 per cent share in 2018-19 (FY19). Classification criteria may differ with the Securities and Exchange Board of India (Sebi) data, but the broad trend shows a definite shift towards the North.

Only three out of the latest 10 draft documents filed have a corporate office in the western part of the country, shows the Sebi website. The three are: Gujarat-based companies Oswal Energies and Shree Ram Twistex; and ICICI Prudential Asset Management Company.