

Market watch

(in ₹) ■ Issue price ■ Listing close

mint

% change

Solarworld Energy Solutions

351

323.20

▼
-7.9

Anand Rathi Share and Stock Brokers

414

445.65

▲
7.6

Jaro Institute of Technology Management and Research

890

745.05

▼
-16.3

Seshaasai Technologies

423

411.50

▼
-2.7

Source: NSE

GOPAKUMAR WARRIER/MINT

Taste for IPOs lost? Tue's listings ring alarm for investors

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Of the four companies that made their debut on the mainboard on Tuesday, three closed below their issue price. Could this be an early signal of similar sentiment for upcoming listings in the near term?

On debut, Solarworld Energy Solutions, Jaro Institute of Technology Management and Research, and Seshaasai Technologies wrapped up the day at 7.9%, 16.3% and 2.7% below their issue prices, respectively, as the chart shows. The lone exception was Anand Rathi Share and Stock Brokers, which closed 7.6% higher than its issue price, National Stock Exchange data showed.

Some investment bankers noted that when markets witness a string of weak listings, it inevitably gives both investors and companies pause, prompting investors to rethink IPO bets and issuers to consider whether it's wiser to hold off on debut plans.

"Such subdued listings are clearly a sentiment check for both investors and issuers,"

said an investment banker at a foreign brokerage.

According to Prime Database, 75 companies that have received the Securities and Exchange Board of India's (Sebi) approval for an IPO and whose approvals are still valid are looking to collectively raise around ₹1,21,321 crore. The largest of these is LG Electronics India, with an IPO size of ₹11,500 crore, followed by Pine Labs at ₹5,950 crore. Tata Capital is not included in this list.

Urban Co., which was listed on 17 September, saw retail investors subscribe 41.49 times, QIBs 147.35 times, and non-institutional buyers 77.82 times. BlueStone Jewellery's IPO recorded a retail subscription of 1.38 times, QIBs at 4.25 times, and non-institutional buyers at 0.57 times, the data showed. Mean-

while, 92 companies have filed their offer documents with Sebi and are waiting for approval, with the largest being PhonePe (₹11,000 crore) and ICICI Prudential AMC (₹10,000 crore), according to the data.

Experts believe that fundamentally strong companies, priced attractively, will continue to draw traction.

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A total of 75 companies with valid Sebi IPO nods are eyeing to collectively raise around ₹1,21,321 crore