Investors now wait till last minute to put in IPO bids

Between 65% and 80% of all applications pour in on the final day of the bidding window

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India is witnessing its strongest primary market cycle, but beneath the fundraising euphoria lies a dramatic shift in investor behaviour: a growing tendency to wait until the very last hours of an initial public offering (IPO) to place bids.

A *Mint* analysis of subscription trends since 2022 reveals that between 65% and 80% of all applications now pour in on the final day of the bidding window. This pattern, visible across major IPOs from Tata Capital to Lenskart, signals a fundamental change in how India invests in new listings.

The first two days of an IPO, which were once periods of steady accumulation, now typically account for a mere 20-40% of total bids, according to Prime Database.

India's IPOs now a last-minute game?

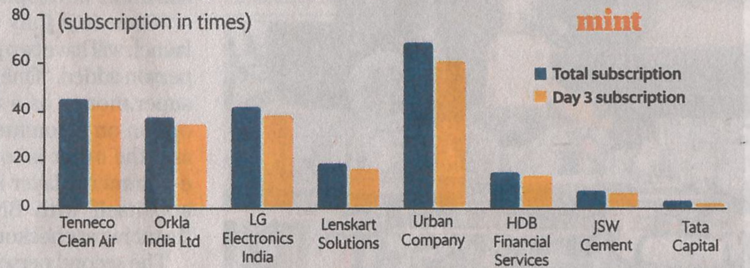
Median Day-3 contribution (%) to IPO subscriptions

Year	IPO fund raise (₹ crore)	Total	QIB	Retail
2022	59,302	65	96	54
2023	49,436	81	99	59
2024	1,59,000	80	99	60
2025	1,53,000	79	97	65

Note: 2025 data is as of 14 November 2025.

IPO day-3 heavyweights

Key companies with highest IPO Day-3 subscription share



Source: Prime Database, Mint analysis

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The skew is even more pronounced in large offerings such as Tenneco Clean Air, which received a staggering 93% of its bids on the final day, followed by Orkla India (92%), LG Electronics India (91%), and Lenskart Solutions (86%). This marks a sharp departure from the pre-2020 era, when subscriptions built up more gradually and retail interest often peaked a day earlier.

The numbers underscore a sustained trend. In 2022, the median share of bids received on Day 3 was 65% of total bids. This surged to 81% in 2023 and has remained elevated at around 80%. This means that nearly four out of every five applications in recent IPOs were submitted on the last day.

This last-minute rush is reshaping the market's mechanics, turning many IPOs into compressed, high-volatility events where speculative flows can overpower fundamental assessments.

"This post-2022 shift can perhaps be explained by the sheer number of IPOs which investors have the option of choosing from. With so many issues coming to the market, they prefer a wait-and-watch approach and apply only on the final day, based on how subscriptions and the grey market premium are shaping up. Retail investors, especially, look at QIB demand before bidding," said Pranav Haldea, managing director of Prime Database.

The shift is most extreme among institutional investors. Qualified institutional buyers (QIBs), who traditionally spread their commitments across the bidding period, are now almost exclusively back-loading their participation. In 2022, 96% of QIB bids arrived on Day 3, rising to 99% in 2023 and 2024, and settling at 97% in 2025.

This near-total migration indicates a strategic preference for minimizing capital lock-in.

Retail investors, while not as extreme as institutions, are also behaving differently. In 2022, 54% of retail bids came on the final day. This proportion has climbed steadily, reaching 65% in 2025. Market experts attribute this to a growing reliance on real-time signals.

"Retail investors today look for psychological comfort. They want evidence of strong demand before committing," said Vinod Nair, head of research at Geojit Financial Services.

He pointed to a growing dependence on real-time subscription data, grey-market premiums (GMP), social-media cues, and, crucially, institutional buying patterns. Retail applicants often treat subscription momentum as a proxy for potential listing gains.

This "wait-and-see" strategy was clearly illustrated in recent issues. "Take the HDB Financial Services IPO," said Ratiraj Tibrewal, chief executive of Choice Capital. "By the end of Day 2, its subscription was only about 1.16 times, but by the close on Day 3, it had jumped to 16.7 times."

The tidal wave of last-day applications is overwhelming the Application Supported by Blocked Amount (ASBA) and UPI infrastructure, leading to bidding slowdowns and temporary outages, particularly during high-profile 2025 issues. "We've seen platforms struggle under load. The infrastructure was not built for the entire market to apply at the same time," noted Nair.

Beyond operational strain, the compressed bidding window is hampering genuine price discovery. Early, low subscription figures frequently suppress sentiment in the grey market, only for a late surge to artificially inflate the apparent demand. Nair warned that this dynamic "distorts true demand and complicates the pricing process because neither bankers nor investors get a reliable signal until the final hours."

LAST-MINUTE MANIA

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THIS differs from pre-2020—gradual subscriptions build-up; retail interest peaked a day earlier

SHIFT most extreme among institutional investors. QIBs now mostly back-load participation

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