

# Digital IPOs climb the m-cap ladder

Mayur Bhalerao

[mayur.bhalerao@livemint.com](mailto:mayur.bhalerao@livemint.com)

MUMBAI

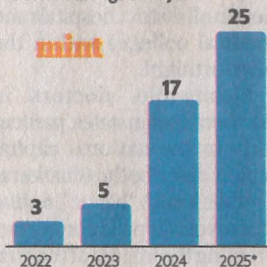
India's primary market is undergoing a quiet transformation. A cluster of new-age technology companies has emerged, following an early cohort that listed at rich valuations and later corrected sharply. These firms now account for a quarter of the market capitalization raised on the mainboard this year, a shift that underscores how rapidly investor perceptions have changed.

Initial public offering (IPOs) of tech companies so far in 2025 collectively command a market cap of ₹2.8 trillion, or 25% of the combined valuation

## Tech ascent

New-age tech firms follow an early cohort that listed at rich valuations and corrected sharply.

Share of new-age tech firms as % of new listings each year



\*As on 30 November 2025

Source: Primedatabase.com, Mint analysis

GOPAKUMAR WARRIER/MINT

of all new listings. To put it plainly: one in every four

TURN TO PAGE 7

# Tech takes charge: a quarter of all new listings are digital

FROM PAGE 1

rupees of debutants' market value now comes from tech. That's a sharp rise from just 3% in 2022 and 5% in 2023, with 2024 offering the first real signal when tech contributed ₹2.3 trillion, or 17%, according to Prime Database.

But while the numbers point to a structural shift, the underlying IPO market remains uneven, heavily influenced by a handful of standout issues and a growing focus on profitability and governance.

## A value reset

Analysts say the landscape has been reshaped by a fundamental reset in how India's digital economy is valued.

"Over the last five years, India's technology IPO market has evolved from a phase of exuberant speculation to one defined by profitability and governance," said Tomas V. Abraham, research analyst at Mirae Asset ShareKhan. "What began as a frenzy of over-valued listings in 2021-22 has matured into a disciplined ecosystem."

"The first wave of new-age listings between 2021 and 2022—Paytm, Zomato, Nykaa, Policybazaar, CarTrade, and Delhivery—debuted at rich valuations. Within a year, several traded 40–70% below issue prices as rising rates triggered a global correction in loss-making growth stocks," said Abraham. The setback forced a shift toward profitability and stronger governance.

By late 2025, the landscape looked very different. "Over 50 new-age firms now trade publicly, with nearly two-thirds (68%) generating profits, an extraordinary shift from

**While the numbers signal a shift favouring tech firms, the underlying IPO market remains uneven**



The average tech IPO subscription this year is 19.6x, an impressive figure, but skewed by a few runaway successes.

ISTOCKPHOTO

the loss-heavy early cohort," he noted. Established names like Info Edge and IndiaMART remain steady, while newer SaaS-led platforms have turned consistently profitable.

## A two-tier market

Yet the investor response is far from uniform. The average subscription for tech IPOs this year is 19.6x, an impressive figure, but one skewed by a few runaway successes. Meesho saw astronomical demand of 79x, while Urban Company (60.14x) and Dev Accelerator

(35.82x) also posted striking numbers. Mid-tier names such as Lenskart Solutions (16.01x) drew healthy interest.

Below that tier, however, enthusiasm drops sharply. Bluestone Jewellery (1.94x), PhysicsWallah (1.49x), and Ather Energy (1.26x) drew modest to lukewarm demand, reflecting investor caution around capital-intensive businesses or those still in heavy investment mode.

Some market participants warn that the apparent boom may be more concentrated than it looks.

"The recent IPOs in technology were driven by 6 to 15

large issues," said Sachin Jasuja, head of equities and founding Partner at Centricity WealthTech. "Consumer demand for tech-enabled applications has risen sharply. This signals maturing investor appetite. But traditional sectors still dominate; tech's share gain reflects a shift, not a take-over."

Jasuja added that risks remain—elevated valuations, regulatory shifts, and the underperformance of OFS (offer for sale)-heavy issues. "Whether this becomes a true structural turning point depends on the durability of profitability and governance. The coming quarters' pipeline will offer important confirmation."

## Capital strength

Meanwhile, capital strength is providing a powerful tailwind. Marquee IPOs from Aequs, Meesho, Vidya Wires and Wakefit Innovations, along with upcoming issues from NephroPlus and Corona Remedies, are set to push total fundraising past ₹1.61 trillion across 97 deals in this week, surpassing last year's ₹1.59 trillion from 91 issues. With more offerings lined up for the rest of this month, the calendar year is almost certain to close with an even larger fundraising tally.