

EASY MONEY SEASON

● EVEN IF MAKING MONEY IN THE MARKET STAYS HARD, RAISING IT MAY REMAIN EASY IN 2026

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IT WAS A YEAR WHEN making money in the secondary market felt like hard labour — but raising money felt almost effortless.

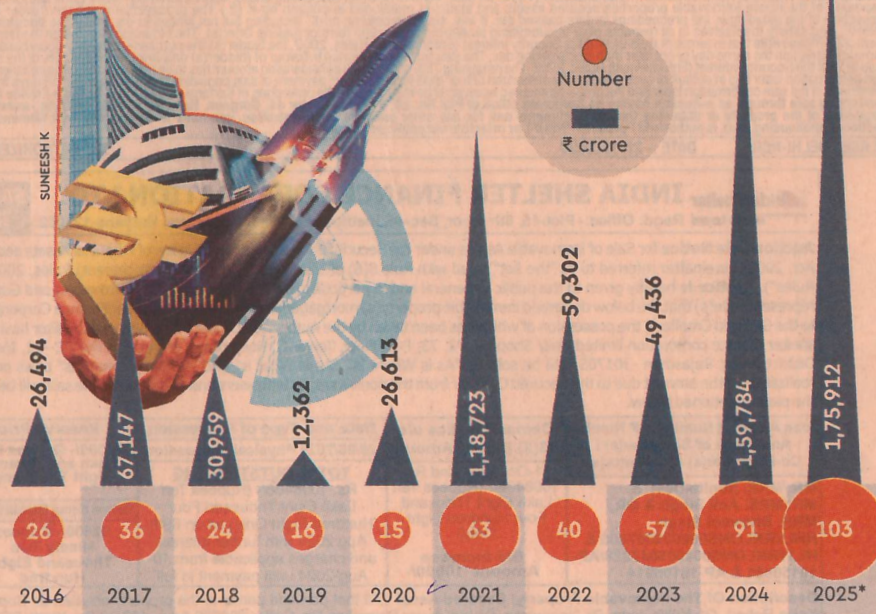
Consider the scorecard. The Sensex and Nifty were up a modest 9.3% and 10.6% year-to-date. The midcap and smallcap indices, once the darlings of retail investors, slipped into the red, returning 0.8% and -6.7%, respectively. And yet, the primary market told a very different story. The average listing day gain from 102 IPOs in 2025 stood at 9.3% — comfortably ahead of most benchmarks. Gujarat Kidney & Super Speciality, whose IPO ended on December 24, is yet to list.

For promoters, the message was unmistakable: if the market wouldn't reward you every day, it was still more than happy to fund you.

That enthusiasm translated into numbers rarely seen before. As many as 103 companies hit the market this year, raising a record ₹1.8 lakh crore — making 2025 the second consecutive blockbuster year for IPO fund-raising. This was despite average listing gains falling sharply, from over 25% in 2023 and 2024 to under 10% this year. The dip barely mattered. Retail investors, high net-worth individuals and institutions — both domestic and foreign — lined up anyway.

The frenzy began early. January itself set the tone. Four of the six IPOs that month were subscribed more than 180 times. Laxmi Dental saw demand exceed 114 times its offer, while Denta Water and Infra Solutions stole the spotlight with a staggering 221-times subscription. Together, the six January issues raised ₹4,845 crore — and ignited a year-long rush. By December, 42 IPOs had been subscribed over 50 times, and 15 had crossed the 100-times mark.

MAINBOARD IPOs



*up to Dec 25; Source: Prime Database

According to Pranav Haldea, 2025 marked a historic shift. It was the first time Indian markets recorded two consecutive years of all-time-high IPO fund-raising. In 2024, 91 companies had raised ₹1.59 lakh crore. In contrast, 2023 had barely crossed ₹50,000 crore. Another quiet milestone: mutual funds, as anchor investors, invested more money than foreign portfolio investors for the first time.

"The IPO market witnessed large but quality supply," said Nilesh Shah, "with participation from local and global institutions as well as retail and HNI investors. Some listing gains also brought quick-money addicts into the market."

Interestingly, foreign portfolio investors infused \$8.4 billion (₹73,106 crore) into the primary markets in 2025, even as they offloaded shares worth \$25.7 billion (₹2.26 lakh crore) in the secondary markets.

HEADLINES OF THE YEAR

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However, FPI investments in IPOs during 2025 were 42% lower compared with \$14.4 billion (₹1.21 lakh crore) invested in 2024.

But beneath the numbers lay a deeper shift. Haldea points out that promoters are increasingly realising that unlocking value through public markets can be more

rewarding than waiting patiently for operating profits. The IPO boom of the past three to four years has also had a powerful spillover effect. Profitable, well-run businesses from smaller cities and towns — once content to stay private — are now stepping into the public spotlight.

The scale of offerings reflected this confidence. Among the year's marquee issues were Tata Capital (₹15,511 crore), HDB Capital (₹12,500 crore), LG Electronics (₹11,607 crore) and ICICI Prudential Asset Management (₹10,603 crore). Eight companies raised more than ₹5,000 crore each — a sign that the market's appetite extended well beyond small, speculative bets.

Interestingly, as listing gains cooled, retail exuberance moderated too. The retail portion of IPOs was subscribed an average 24 times in 2025,

down from 33.7 times in 2024. Yet, when it came to big, familiar names, retail investors still showed up. LG Electronics saw its retail book subscribed 7.62 times, while Meesho clocked nearly 19 times. Both rewarded investors handsomely, delivering listing gains of 50% and 45%, respectively.

In 2025, out of 102 IPOs, 69 companies listed with gains up to 67%, with only four companies delivering listing gains of over 50%. In 2024, things were better, as 16 IPOs delivered listing gains of more than 50% and up to almost 180%. Out of a total of 91 issues, 71 listed with gains and 18 were in losses.

Looking ahead, most market watchers expect the momentum to continue. Haldea believes 2026 could be even bigger. Nearly 200 companies are planning to raise ₹2.5-3 lakh crore, based on filings and approvals already in place. And that excludes potential mega listings — Jio, Flipkart, NSE and Zepto — which could dramatically lift the totals.

Not everyone is convinced. Shankar Sharma offers a note of caution. "The bull market since 2020 has seen multiple bubbles — small caps, then SMEs. Both have fizzled out. Now, the bubble circus has moved to IPOs. This too will end. It's only a matter of time," he warns.

For now, though, Sharma appears to be in the minority. Strong monthly inflows via systematic investment plans are giving mutual funds steady firepower, much of which is finding its way into IPOs. Sebi's decision to bar fund houses from pre-IPO placements has caused some disappointment, but it has not dented overall enthusiasm.

With liquidity sloshing around, investors hunting for stories, and a pipeline packed with marquee names, the irony may well persist into 2026: even if making money in the market stays hard, raising it could remain remarkably easy.