



LIQUIDITY, VALUATION CONCERNS Retail portion of 10 out of 18 mainboard issues that opened between Jan and March 2026 could not draw full subscription

I...P...Oh! Retail Investors Turn Selective After Listings Misfire

Himadri Buch

Mumbai: Retail investors are turning their backs on initial public offerings (IPOs), in a stark contrast to their subscription frenzy of 2024-2025, as tepid listings in a weak market have dampened appetite for new shares.

Of the 18 mainboard IPOs that opened between January and March 2026, the retail portion of 10 issues failed to be fully subscribed, according to Prime Database. Three of them were subscribed to between one and two times, while the rest saw demand ranging from 7 to 73 times the shares set aside for this category.

“In the near term, retail participation appears to be mean-reverting post the liquidity-led surge of the past couple of years, which resulted in stretched pricing for select IPOs alongside muted secondary market performance,” said Pratik Lonker, managing director and head—Equity Capital Markets (ECM) and co-head—Financial Sponsors Group, Axis Capital.

“With systemic liquidity tightening, investor demand is becoming more sensitive to valuation comfort, and near-term listing alpha expectations are likely to make flows increasingly selective and concentrated in fundamentally stronger offerings, until volatility subsides and normalcy is restored,” he said.

The ₹3,079-crore IPO of Clean Max Enviro Energy Solutions saw retail subscription of 0.06 times. The small investor portion of Sedemac Mechatronics’ ₹1,087 crore IPO managed bids worth 0.19 times.

Shri Ram Twistex’s IPO garnered the highest retail subscription of 72.84 times, followed by Bharat Coking Coal at 46.99 times.

To be sure, all these IPOs sailed



through thanks to the continued demand from high-net-worth individuals (HNIs) and qualified institutional buyers (QIBs).

“The emerging pattern of sub-optimal retail subscription in a majority of IPOs in Q1 2026 is indicative not merely of cyclical fatigue, but of a more fundamental recalibration in investor risk appetite, particularly where valuations appear detached from underlying earnings visibility,” said Sonam Chandwani, managing partner, KS Legal & Associates.

Sensex and Nifty have plunged nearly 15% in the January-March period.

Out of 18 listings till March 31, 12 opened below their IPO prices on their market debut. Shree Ram Twistex was down 29.4% from the issue price, followed by Innovision (-28.2%), Clean Max Enviro Energy Solutions (-17.6%), Amir Chand Jagdish Kumar (Exports) Ltd (-17.2%).

Among the six debutants that opened higher, Bharat Coking Coal rose 76.8% on the listing day, followed by GSP Crop Science (11.3%) and SEDEMAC Mechatronics (7.6%).

After the listing day losses, most of these stocks, however, recovered, with 12 out of the 18 trading above their issue prices until April 13. Omnitech Engineering gained the most with 73% gains from its listing day, followed by Shadowfax Technologies (25.57%) and Gaudium IVF and Women Health (19.09%).

IPOs are facing valuation fatigue, according to Dev Chandrasekhar, founder of Transcendum, a Mumbai-based valuations and strategic advisory firm. “This trend serves as a cautionary signal to issuers and merchant bankers alike that aggressive pricing strategies, absent robust fundamentals, may not sustain in the current market regime,” Chandwani said.

RETAIL PARTICIPATION

(Fig in ₹crore)

COMPANY	ISSUE SIZE	RETAIL (X)
Clean Max Enviro Energy Solutions	3,080	0.06
Sai Parenterals	402	0.12
Powerica	1,100	0.15
Sedemac Mechatronics	1,087	0.19
Rajputana Stainless	255	0.24
Central Mine Planning & Design Institute	1,841	0.31
Omnitech Engineering	583	0.33
GSP Crop Science	400	0.40
Innovision	319	0.59
Aye Finance	1,010	0.77

GAIN AND LOSS SINCE LISTING

COMPANY	% CHG OVER LISTING DAY CLOSE	LISTING DAY GAINS/LOSS % CHG
Shree Ram Twistex	-37.4	-29.4
Amir Chand Jagdish Kumar (Exports)	-31.8	-17.2
Bharat Coking Coal	-20.0	76.8
Aye Finance	-16.0	-0.1
Innovision	-14.9	-28.2
PNGS Reva Diamond Jewellery	-11.8	7.2
Amagi Media Labs	0.3	-3.6
Fractal Analytics	0.3	-5.8
Clean Max Enviro Energy Solutions	2.5	-17.6
Powerica	4.2	-1.3

Source: Prime Database & Capitaline / Compiled by: ETIG Database