

THE ECONOMIC TIMES

WWW.ECONOMICTIMES.COM

BENNETT, COLEMAN & CO. LTD. | ESTD. 1838

VOL. 54 NO. 100 | NEW DELHI / GURGAON | 24 PAGES | ₹4.50 OR *₹9.50 WITH THE TIMES OF INDIA

TUESDAY, 28 APRIL 2026



Finmin Taps Banks for Gauging W Asia War Impact on MSMEs

DISRUPTION: AI, STARTUPS & TECH ►► 15

DIGITAL LENDERS KEEP WATCH AS SMALL BIZ STRUGGLE AMID CONFLICT ►► PAGE 15

Less Rain, Higher Costs may Test Rural Economy

ECONOMY: MACRO, MICRO & MORE ►► 9

*Applicable only on monthly purchase (in Delhi/NCR)

To order your favourite newspaper, call 1800 1200 004 toll free or visit subscribe.timesofindia.com. To advertise with us, call 1800 120 5474

Valuation Discipline

►► From Page 1

Of this, approvals of 43 companies are valid only till September. Another 84 companies are awaiting approval to collectively raise ₹1.75 lakh crore.

Valuation discipline is becoming more prominent, with greater emphasis now being placed on pricing relative to fundamentals, said Swarup Mohanty, vice chairman and chief executive at Mirae Asset Mutual Fund.

In the current scenario, prospective IPO issuers are also taking a pause to frame their offer documents on March-end audited financials, which offer a longer validity period, said investment bankers.

“December audited numbers are valid only till June; hence most issuers prefer March financials in the document as they are valid till September,” said Dharmesh Mehta, MD and CEO, DAM Capital Advisors. “One should expect IPO launches starting in June, by then, hopefully, the global volatility will settle down.”

Sebi rules allow companies to go public only with up to six-month old financial data. IPO-bound firms with December quarter as the latest earnings data period in their draft red herring prospectus must launch their IPOs by June.

The market regulator earlier this month gave these companies a one-time relaxation, extending the validity of its IPO approvals in a bid to ease fundraising pressures. It said clearances expiring between April 1 and September 30 will now remain valid until September 30.

UNFAVOURABLE CLIMATE

Firms Defer First Trip to D St Due to Poor Weather

IPO-bound cos fear seesawing markets, pessimism may pull down valuations

Himadri Buch

Mumbai: Dozens of companies are going slow on plans to launch initial public offerings (IPOs), deterred by volatile investor sentiment and subsequent impact on market valuations. The calendar year started on a brisk note, with 18 mainboard IPOs collectively raising ₹18,778 crore in the March quarter, with the issues’ tally doubling from the year before, when companies raised ₹15,723 crore. The momentum has since tapered off, as the West Asia conflict sapped investor confidence. So far in April, there has been just one mainboard IPO launch, which raised ₹150 crore.

“The uncertainty in India’s IPO market is expected to remain at least for the next two to three months, depending on how the geopolitical crisis plays out,” said Prashant Singhal, partner and India markets leader at EY.

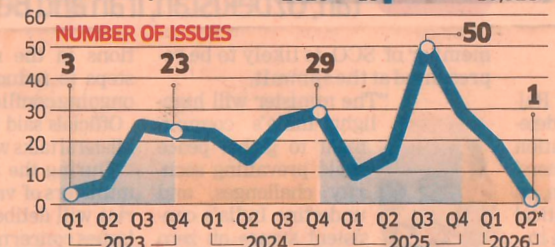
Meanwhile, the market sell-off in March and a foggy outlook prompted influential institutional investors — usually anchors of IPOs — to push back companies on valuations. “There is a mismatch in valuation expectations of issuers and investors,” said Nilesh Shah, managing director at Kotak Mutual Fund. “Issuers want the pre-war valuation. Investors want post-war valuation. As soon as east meets west, activity will pick up.”

Data from Prime Database revealed a robust IPO pipeline. As of April 17, as many as 146 companies have received Securities and Exchange Board of India (Sebi) approval to raise a total of ₹2.11 lakh crore.

Petering Out

	Number of Issues	Issue Amount (₹ crore)^
2023	57	49,436
2024	91	1,59,784
2025	103	1,75,914
2026*	19	18,928

Valuation Discipline ►► 16



*As of Apr 22; ^Rounded off

Source: primedatabase.com

LOCAL INDICES RISE, MIRRORING ASIA ►► 13