

Startups go slow on D-St debut as conflict roils investor appetite

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Mumbai: After a bull run in the IPO market over the past two years, Indian startups are finding it hard to take the road to Dalal Street. The US-Iran war has thrown a spanner in their IPO plans with many companies delaying listing timelines and going slow on filing draft papers.

PhonePe has pressed pause on its \$1.3 billion IPO initially slated for a launch sometime in April and Flipkart too is understood to be in no rush to go ahead with IPO preparations amid wobbly markets.

Even as a few big issues by firms such as Zepto and Oyo are in the pipeline, those are unlikely to hit the bourses if markets remain volatile, impacting the broader IPO fund-raising, industry executives sa-

DWINDLING IPOs

Month	2025		2026	
	No. of issues	Issue Amount (Rs.crore)	No. of issues	Issue Amount (Rs.crore)
Jan	6	4,845	3	4,765
Feb	3	10,878	7	8,162
March	0	0	8	5,852
April	1	2,981	2	1,076
May	6	8,983	0	0

Source: primedatabase.com

id. "Only six new age companies got listed so far this year, of which four got listed below the issue price. The returns they generated for investors have been lower compared to gains investors made through tech IPOs last year," said Sneha Poddar of Motilal Oswal Financial Services. Amid tough market conditions, markets regulator Sebi extended the validity of IPO approvals by six months till Sept this year. Merchant

bankers expect this to get extended by another six months.

Overall, there have been only about 20 mainboard IPOs so far this year, with companies raising under Rs 20,000 crore in the first five months of the year against over Rs 27,000 crore in each of the past two years. Also, the issue sizes this year haven't been very large, a sharp contrast over last year, Poddar said, adding that big companies targeting high valuations and lar-

ge listings will not launch IPOs unless there is investor appetite for big issues. Shares of new age firms Amagi Media Labs, Shadowfax and Fractal Analytics got listed below their IPO issues prices on the bourses this year while Aye Finance had a flat listing.

"Investors have become more selective and value-sensitive. As a result, some startups are reassessing timelines, refining narratives and waiting for greater visibility before entering the public markets," said Raghav Gupta, joint CEO at IIFL Capital

"One can expect firms who may have thought of listing in the next immediate few months might push it out by a quarter," Jang Bahadur Singh, of Aon told TOI.

(With inputs from Aditi Bhardwaj)