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OMCs Go Slow on 85% Ethanol Blend Rollout

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US Remains India's Top Export Mkt for Auto Parts

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HIGH INSTITUTIONAL DEMAND

As Issues Line Up, Many Join pre-IPO Placement Queue

Returning to Route

		Issues		Pre-IPO Placements	
		Nos	Amount (₹ cr)	Nos	Amount (₹ cr)
2024	Q1	22	1,264	3	235
	Q2	14	—	—	—
	Q3	26	1,587	3	66
	Q4	29	1,099	2	85
2025	Q1	9	410	1	40
	Q2	15	720	2	135
	Q3	50	3,170	6	541
	Q4	29	2,211	2	200
2026	Q1	18	3,080	1	297
	Q2	9	165	1	23
	Q3	1	—	—	—

Note: Issue amount for four cos calculated on lower price band; figures rounded off

Source: primedatabase.com

Quarterly Primary Transactions (₹ cr)



Rounds help set valuation, draw investors

Himadri Buch

Mumbai: Pre-IPO placements are making a comeback after a subdued start to 2026, with companies seeking to capitalise on strong institutional demand for upcoming public issues by locking in valuations and bringing in marquee investors ahead of their listings.

So far in July, three companies have raised funds before launching their initial public offerings. At least four companies, including SBI Funds Manage-

ment, are planning such share sales for institutions in the weeks ahead. A pre-IPO placement allows companies to sell shares to institutional investors before launching the share sale. This helps them lock in valuations and broaden the investor base ahead of listing.

"Pre-IPO placements are becoming an important bridge between private capital and public markets in India," said Kailash Soni, head of India equity capital markets at Goldman Sachs.

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Strong Pipeline

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"Companies increasingly de-risk listings by securing commitments from marquee institutional investors amid global uncertainties," said Soni.

After an overheated phase in 2025, when capital markets saw a strong surge culminating in ₹20,412 crore of pre-IPO activity in the December quarter, the momentum cooled in 2026. Pre-IPO deal values fell to ₹3,156 crore in the March quarter and further to ₹565 crore in the June quarter. However, this slowdown is seen reversing, with deal pipelines showing a revival as conditions stabilise and IPO activity picking up.

In July so far, power transmission firm Karamtara Engineering has raised ₹75 crore in a pre-IPO round. Medical Devices maker Biorad Medisys raised about ₹400 crore. Silver Consumer Electricals raised ₹150 crore.

SBI Funds Management is contemplating a pre-IPO placement of nearly ₹2,000 crore ahead of its IPO launch while Chennai-based Neuberger Diagnostics aims to raise ₹500 crore in a pre-IPO funding round over the

next three to six months.

Investment bankers said such rounds are increasingly becoming part of the IPO playbook.

"A pre-IPO placement helps de-risk the IPO itself by taking some chips off the table and the selling shareholders, especially PEHs (private equity holders), with substantial holdings in the IPO companies, can offload partial stake before the IPO," said Anurag Byas, director, equity markets solutions, Rothschild & Co.

Earlier this year, Infra.Market raised Rs 500 crore in pre-IPO round. Milky Mist Dairy raised ₹482 crore from Temasek's Jongsong Investments, while Calibar Mines raised ₹100 crore in two pre-IPO rounds. Steamhouse India secured ₹50 crore from Singularity and Niveshaay Sambhav Fund. Advit Jewels raised nearly ₹23 crore.

Historically, such placements have moved in tandem with IPO cycles. During strong markets, they aid price discovery and allocation efficiency while in volatile phases, they help issuers secure capital and validate valuations ahead of a listing.

For investors, this offers an early indication on the valuation at which a company is willing to raise capital and level of institutional interest ahead of an IPO.