Newly listed firms ride small, midcap rally despite war

Stellar show

Top 5 gainers*	Offer price (₹)	Share price on July 15 (₹)	Change (%)
Omnitech Engineering	227	561.85	147.51
Sedemac Mechatronics	1,352	2622.40	93.96
OnEMI Technology Solutions	171	321.15	87.81
Hexagon Nutrition	45	74.97	66.60
Central Mine Planning	172	264.58	53.82

*Listing started after Feb 28

Source: primedatabase.com

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Mumbai, 15 July

Newly listed firms have largely remained insulated from the secondary market turbulence caused by the West Asia war, supported by the rally in small and midcap stocks.

Stocks of nearly two-thirds, or 16 out of 23 firms that listed since February-end are trading above their issue price, with an average listing gain of about 26 per cent, according to data from Prime Infobase.

Overall, 29 firms have listed so far in 2026. Out of these, 21 firms' stocks are trading above their offer price, with an average listing gain of 30 per cent.

Omnitech Engineering, which manufactures high-precision engineered components and assemblies for diverse industries, emerged as the standout gainer, up 147.5 per cent from its offer price.

Shree Ram Twistex, down 60.3 per cent, Innovision, down 44 per cent, and Amir Chand Jagdish Kumar, down 19.5 per cent, are among the worst performers. The average loss for the seven IPOs, which have listed since February-end and are down as compared to their IPO price, is 21.3 per cent.

Markets turned turbulent after February 28, when Israel and the US launched air strikes on Iran, killing its supreme leader Ayatollah Ali Khamenei. The war blocked the Strait of Hormuz and sent Brent crude spot prices surging to nearly $116.8 per barrel intraday, the highest in four years.

"In this strong rally, not all old-listed small and midcap stocks have outperformed. This had to do with their business profiles. For instance, IT, chemicals, and solar stocks have underperformed despite the overall rally in small and midcap stocks. Sectors or business profiles would explain the variations in performance of mainboard IPOs post their listing," said G Chokkalingam, founder and chief executive, Equinomics Research.

The IPO market is poised for a strong second half. SBI Funds Management's ₹9,813-crore IPO opened on July 14. The draft red herring prospectuses for NSE's ₹30,000 crore and Jio Platforms' ₹37,700 crore IPOs are both awaiting the Securities and Exchange Board of India's (Sebi's) nod.

"Typically, if there is volatility or bearishness, IPO launches slow down or halt. Going forward, even though several large issuers have filed (DRHPs), they will assess prevalent market conditions upon receiving Sebi approval," said Pranav Haldea, managing director, Prime Database.