Markets wobble, money pours in: IPO, QIP fundraising hits 20-month high in July- Moneycontrol.com

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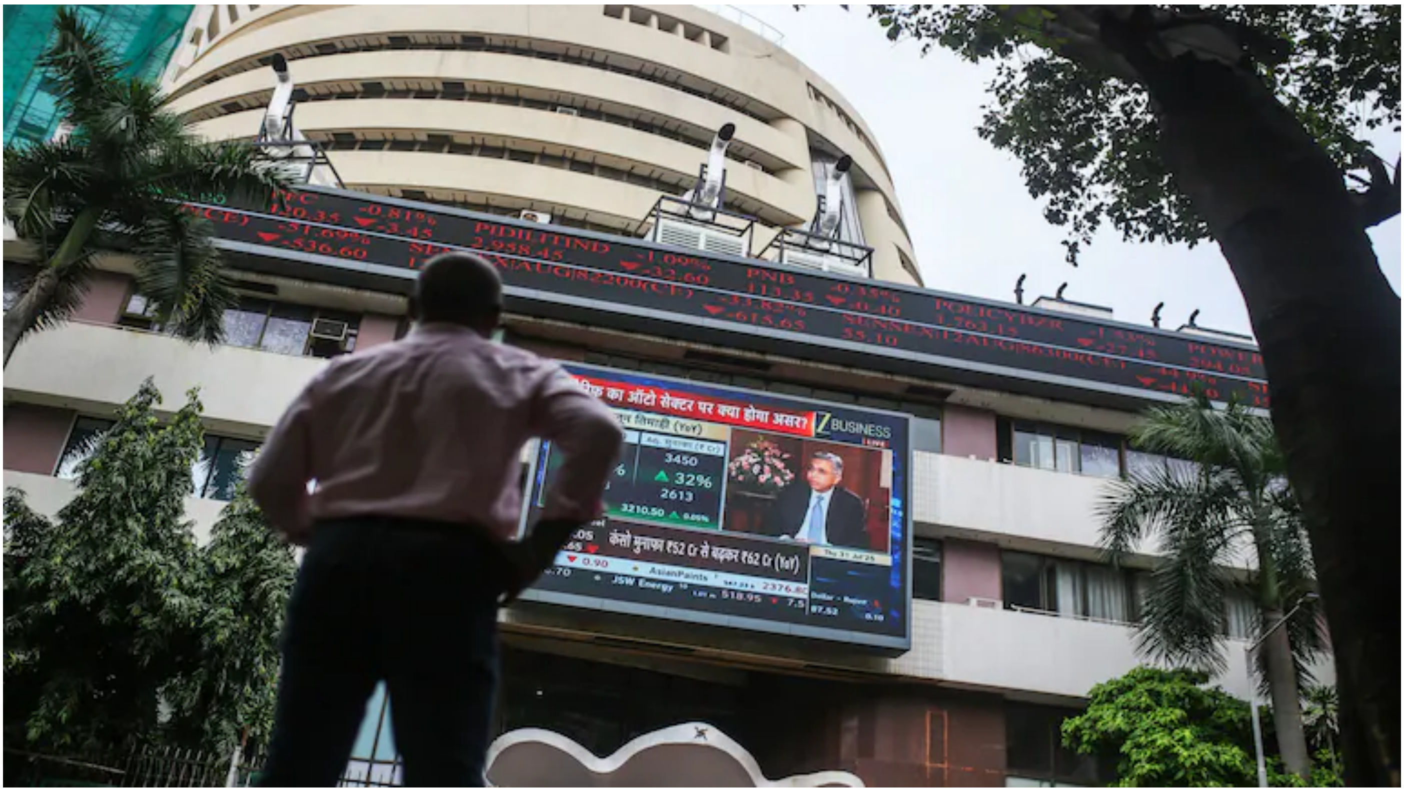
Strong investor appetite and a surge in large IPOs and QIPs helped companies raise Rs 52,300 crore in July, marking the highest monthly fundraising in 20 months.



Fundraising through mainboard and SME initial public offerings (IPOs) and qualified institutional placements (QIPs) climbed to a 20-month high in July despite geopolitical tensions and continued foreign investor selling.

Nearly 36 companies raised around Rs 52,300 crore through mainboard IPOs, SME IPOs and QIPs during the month, making it the strongest monthly fundraising since November 2024, when 24 companies had mobilised around Rs 56,737 crore through these instruments, according to Prime Database data.

So far in 2026, 167 companies have raised around Rs 1.06 lakh crore through mainboard IPOs, SME IPOs and QIPs. In comparison, 406 companies had mobilised Rs 2.6 lakh crore during the whole of 2025.

Domestic equities remained volatile during the month amid renewed geopolitical tensions between the US and Iran, with crude oil briefly crossing $100 per barrel and raising concerns over India's macroeconomic stability. Foreign investors also turned sellers after briefly resuming purchases in mid-June. Despite the volatility, the Sensex and Nifty gained 0.5 percent each during the month, while the BSE MidCap index advanced 1.2 percent. The BSE SmallCap index, however, declined 0.2 percent.

Apurva Sheth, Head of Market Perspectives and Research at SAMCO Securities, said the sharp pick-up in IPOs and QIPs reflects a window of opportunity where issuers and investors are finding common ground. After months of volatile markets, sentiment has improved, while the secondary market is undergoing a phase of consolidation. Domestic liquidity remains robust, supported by mutual fund SIPs and institutional flows, while valuations have recovered sufficiently for companies to raise capital at attractive prices.

Sheth said promoters are keen to monetise favourable valuations, while listed companies are using QIPs to fund expansion, deleverage balance sheets and pursue acquisitions. Investors, meanwhile, continue to display healthy risk appetite, particularly for companies with credible earnings visibility and reasonable pricing.

The mainboard IPO market witnessed its strongest month since November 2024, with 12 companies raising around Rs 28,650 crore in July. Major offerings included SBI Funds Management, which raised Rs 9,796 crore, followed by Manipal Health Enterprises at Rs 9,276 crore, Indo-MIM at Rs 3,810 crore, Juniper Green Energy at Rs 1,800 crore and Lohia Corp Ltd at Rs 1,102 crore. Other IPOs during the month included Laser Power & Infra, Kusumgar, Caliber Mining & Logistics and Knack Packaging.

QIP issuances also recorded their strongest month since July 2025, with six companies raising around Rs 19,300 crore. Adani Enterprises accounted for the largest share, raising around Rs 15,000 crore, followed by Adani Energy Solutions at Rs 3,500 crore, Belrise Industries at Rs 1,700 crore, Ather Energy at Rs 1,300 crore, Blue Jet Healthcare at Rs 800 crore and ideaForge Technology at Rs 500 crore, among others. In the SME segment, 17 companies collectively raised Rs 892 crore during July, compared with 24 companies that mobilised Rs 941 crore in June.

Analysts said fundraising is likely to remain healthy for the remainder of the year, although matching July's record pace every month is unlikely. The pace will depend on the stability of domestic equity markets, the global macroeconomic backdrop, including interest rates, geopolitical developments and foreign investor flows, as well as the aftermarket performance of recent IPOs.

If newly listed stocks continue to deliver reasonable returns, the fundraising pipeline is likely to remain strong. However, if listings disappoint or valuations become overly aggressive, investors are expected to become more selective and weaker issuers may defer their fundraising plans, analysts added.

Aditya Kondawar, Partner & VP, Complete Circle Capital, said the successful launch and strong investor response to the SBI AMC IPO has significantly improved market sentiment, indicating that risk appetite in the primary market is returning. If the geopolitical environment remains stable, particularly with the ceasefire holding, the market could witness a strong pipeline of large IPOs and QIPs over the coming quarters.

However, he added that the momentum would need to be reinforced by the next few IPOs delivering healthy listing gains and attracting robust subscription levels, similar to SBI AMC, to sustain confidence among both issuers and investors, Kondawar added.