Two-thirds of 2026 IPOs trade above issue price

- Experts attribute trend to disciplined pricing, reasonable valuations

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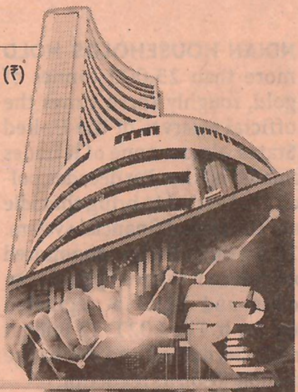
GOOD SHOW

IPO performance	% gain	IPO price (₹)	Current price (₹)
Omnitech Engineering	158.9	227	587.6
Sedemac Mechatronics	95.4	1,352	2,641.5
Onemi Technology Solutions	86.6	171	319.0
GSP Crop Science	84.1	320	589.0
Amagi Media Labs	80.5	361	651.5
Shadowfax Technologies	77.9	124	220.6
Gaudium IVF and Women Health	76.9	79	139.8
Bharat Coking Coal	53.0	485	741.8
Indo-MIM	47.0	23	33.8
Laser Power & Infra	41.1	214	302.0



AMID SEVERE MARKET volatility triggered by geopolitical uncertainty, the initial public offering (IPO) market has performed better in 2026 than in the previous year. Of the 36 issues launched so far this year, 24, or 66%, are currently trading above their issue prices, compared with 54% of IPOs launched in 2025, according to an analysis based on Prime Database data.

The number of issues launched till July-end last year stood at 37. However, a total of 103 IPOs were launched during the full year. IPO activity is expected to pick up in the second half of 2026, with large offerings such as Jio Platforms and the NSE being lined up.

Among IPOs listed in 2025, Aditya Infotech, Ather Energy and Rubicon Research have recorded the highest gains over their issue prices. Among those listed in 2026, Omnitech Engineering, Sedemac Mechatronics and Onemi Technology Solutions have seen the strongest gains relative to their issue prices. Experts believe the higher proportion of IPOs trading above their issue prices reflects greater pricing discipline and more reasonable valuations in the current market.

"The current year has seen markets become more pragmatic towards new public issues, leading to an increase in pricing discipline," said Sandipan Roy, chief investment officer at Motilal Oswal Wealth Management.

He attributed the trend to lower IPO supply and greater discipline on the demand side. "The participation of FIIs in public issues has reduced this year. On the other hand, domestic investors have become more vigilant following the correction over the last 18-20 months, leading to better pricing," he added.

Nirav Karkera, head of research at W by Groww, said the higher proportion of companies listed in 2026 trading above their issue prices suggests that businesses coming to the market this year have received better acceptance from investors.

"It also indicates that there was institutional and retail investor appetite for these businesses and that the issues were priced well independently," he said.

Market expert Arun Kejriwal said the stronger performance of 2026 IPOs indicates that sentiment towards primary-market valuations has improved compared with last year, when some issues came to the market at unjustified valuations. He added that IPOs that perform well soon after listing and report earnings in line with or better than their pre-listing performance tend to fare well over the long term.

"Based on this rationale, earnings of companies that listed in 2026 are not expected to bring negative surprises. Therefore, the issues launched this year should continue to perform well," Kejriwal said.