

Tamil Nadu's business houses line up for the IPO route

Sangeetha Kandavel



Bombay Stock Exchange (BSE) Head-Issuer Relations and Corporate Sales Radha Kirthivasan and Lalithaa Jewellery Chairman and Managing Director M. Kiran Kumar exchange handshakes during the ringing of the trading bell to mark the listing at the BSE, in Mumbai on August 24, 2026. Lalithaa Jewellery Whole-Time Director Hema Kiran Kumar Jain is also seen. | Photo Credit: ANI

Several relatively newer Tamil Nadu-based business houses are shedding their conservative tag and knocking on SEBI's doors to tap the IPO market. Two companies Milky Mist, headquartered in Erode, and Chennai-based Lalithaa Jewellery have already gone public this year and witnessed strong subscription. Few more are expected to join the queue in the coming months. Chennai-headquartered drone technology company Garuda Aerospace and a consumer durables company Sathya Agencies are also expected to join the IPO queue.

“Each year, around three to four companies from Tamil Nadu are getting listed,” said an analyst tracking the markets. Over the last three years, several Tamil Nadu-based companies including

Avalon Technologies Ltd., R.K. Swamy Ltd., Northern Arc Capital Ltd., Dr. Agarwal's Healthcare Ltd. and Glottis Ltd., have tapped the IPO market.

“The promoter-driven mindset is slowly changing. People have started realising that if I own 100% of the company, its value may be ₹100, but if I share at least 25% with the public, the company's value could rise to ₹500.” That kind of value creation was not known earlier,” said Nagappan Valliappan, a capital market professional who was the former chairman of the Federation of Indian Stock Exchanges.

“If you look at family businesses in Tamil Nadu, many of them are now in their third or fourth generation. There are family disputes and divisions taking place. As a result, some businesses feel it is better to go public and, after a point, sell the company rather than deal with family tussles,” said a source who has been dealing with family businesses in Tamil Nadu.



Sathish Kumar, Chairman and Managing Director, Milky Mist Dairy Food Limited (third right) Ashish Chauhan, Managing Director and Chief Executive Officer, NSE (second right) and Rathnam, Chief Executive Officer, Milky Mist Dairy Food Limited (right) during the listing of Milky Mist on August 18, 2026 on the NSE | Photo Credit: Special Arrangement

Pranav Haldea, managing director of Prime Database Group, said: “What you are seeing in Tamil Nadu is what I like to call the ‘net worth creation effect’. This has happened across India over the

last 5-6 years. Class B/C towns and cities in India have been largely dominated by family-controlled and closely held businesses which were never too keen on getting outside investors.”

Mr. Haldea added: “What happened was a few IPOs of such type of companies started happening and others saw the kind of valuation and net worth creation which can happen when value is unlocked through an IPO, with several of these promoters becoming millionaires or even billionaires. This triggered a sense of FOMO (fear of missing out) among other family-owned businesses.”

According to data shared by Prime Database, a provider of information on the capital markets, 2023 saw 57 issues across India, raising ₹49,436 crore. In 2024, the number increased to 91 issues, raising ₹1,59,784 crore. The momentum continued in 2025, with 103 issues raising ₹1,75,914 crore. In the current year (2026), the numbers stand at 61 issues, raising ₹72,283 crore.

Those who have gone public through an IPO say that it has made them more disciplined and accountable. You are constantly tracked, and you are answerable to your shareholders. “The capital gives us the ability to invest in the next phase of growth, but equally important is the discipline that comes with being a public company,” K. Rathnam, whole time director and chief executive officer, Milky Mist Dairy Food said.