IPO market turns quiet after record Sept quarter; mega Jio IPO set to test market appetite

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India's primary market raised more than ₹1.21 lakh crore through 275 IPOs in the first nine months of 2026. The mainboard segment accounted for nearly ₹1.13 lakh crore across 96 issues. Fundraising gathered pace in the September quarter, with 69 companies raising more than ₹90,000 crore, accounting for around 80% of the total amount mobilised during the year.

September was the busiest month, with 34 companies raising ₹39,380.13 crore. The National Stock Exchange of India (NSE) led the fundraising, mobilising ₹22,563 crore in the second-largest IPO in India's history, after Hyundai Motor India's ₹27,859-crore offering in 2024. July saw 12 IPOs raise ₹28,648.49 crore, followed by 23 issues that mobilised ₹22,452.84 crore in August.

After a record-breaking September quarter, the primary market appears to be catching its breath, with IPO activity slowing in October. Just two mainboard issues - HD Fire Protect and Fusion CX - are scheduled to open for subscription this month, as investors and issuers turn their attention to the much-anticipated mega IPO of Jio Platforms.

Temporary pause, activity to pick up by mid-Oct

Pranav Haldea, managing director of PRIME Database Group, said the slowdown in early October was a recurring pattern, as companies typically try to launch their IPOs by September-end to use their March financial statements. Those that miss the deadline need to update their filings with June-quarter financials, adding to the time required to bring an issue to market.

"This can result in a temporary pause," Haldea said, adding that IPO launches could pick up again by the middle of October.

The contrast between the first and second quarters of FY27 has been stark. Companies raised only around ₹3,500 crore in the first three months, before activity accelerated sharply in the July-September quarter, supported by a larger number of issues and the NSE offering.

Haldea attributed the momentum partly to improving geopolitical sentiment around June and July, when the SBI Mutual Fund offer received a favourable response and listed strongly.

The pipeline of companies waiting to enter the market remains substantial, but launching an IPO has not become easier, he said. With approvals from the Securities and Exchange Board of India (SEBI) nearing expiry for some issuers, companies may have to revisit their valuations or reduce issue sizes to proceed. Even NSE had to moderate its offer size or valuation expectations before launching, Haldea noted.

Sept rush driven by regulatory timelines

Anil Sharma, co-founder of IPO Central, said the September rush was driven partly by regulatory timelines rather than investor sentiment alone. The expiry of a one-time Sebi extension on September 30 prompted several companies to use the available window, bringing forward offerings that might otherwise have entered the market later.

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This has created a temporary gap in the pipeline, Sharma said, as companies that missed the deadline need to refresh their filings and restart parts of the process. He also cautioned that institutional demand can become stretched when several IPOs arrive in quick succession, forcing issuers to compete for allocations from the same pool of investors.

The proposed Jio Platforms IPO has added another dimension to the outlook for the primary market. While the sheer size of the issue could absorb investor attention and institutional allocation capacity during its subscription window, market participants differ on how far its impact could extend to other offerings.

Jio Platforms, the digital services arm of Reliance Industries, is expected to open its IPO for subscription from October 21 to 23, with the anchor book likely to open on October 19. The shares are targeted to list on October 28, according to a media report. The company has yet to disclose the final issue size, but market estimates peg the offering at around ₹37,700 crore, potentially making it one of the largest public offerings in India.

Unlike many large IPOs, Jio's offering will comprise an entirely fresh issue of shares, with the bulk of the proceeds earmarked for deleveraging. Jio Platforms plans to raise capital through a fresh issue of up to 27 crore equity shares with a face value of ₹10 each. According to its IPO papers filed with SEBI, 50% of the issue is reserved for qualified institutional buyers (QIBs), 35% for retail individual investors (RIIs) and 15% for non-institutional investors (NIIs).

Sonam Srivastava, founder and CEO of Wright Research, said an IPO of this size could prompt fund

managers to raise cash by trimming liquid holdings and limiting fresh commitments to smaller offerings. The pressure, she said, is likely to be concentrated around the subscription and listing dates rather than becoming a prolonged constraint on IPO activity.

Once Jio lists and investors have a clearer view of its market performance, appetite for other offerings should return, Srivastava said. Companies with visible earnings growth and reasonable valuations are likely to remain better placed to attract investor interest.

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Shashank Udupa, founder of Vayu Capital, said Jio's scale could lead institutional investors to reserve capital for the offering, temporarily making it harder for smaller companies to attract liquidity and attention. However, a strong response and a positive listing could improve sentiment towards the broader IPO market.

Sharma of IPO Central similarly said the Jio issue would have a greater bearing on competing offerings during its subscription period than in the run-up to its launch. The primary market has continued to attract institutional and retail capital even as foreign investors have sold shares in the secondary market, he said.

Sarvam Goel, founder of Pocketful, offered a more upbeat assessment, saying the market was not necessarily heading for a broad-based lull. He expects activity to remain firm until Diwali, supported by a steady pipeline of approved companies and continued investor participation across the mainboard and SME segments.

Goel said some issuers may defer their plans because of geopolitical uncertainty, global interest-rate expectations and volatility in foreign flows, particularly if they do not have an immediate funding requirement. However, he described such postponements as selective rather than indicative of weakening demand.

He acknowledged that Jio could absorb a meaningful amount of liquidity during its subscription window, prompting some companies to avoid overlapping launch dates. However, he expects participation from foreign investors to bring in additional capital, while a strong listing could support overall sentiment.

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