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Indian firms defy market slump with record $25 bn equity fundraise in H1

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Representative image for stock market

Indian companies defied a secondary market slump to raise 2.43 trillion rupees ($25.27 billion) in the first half of fiscal 2027, a record for the period, data showed on Thursday, as domestic investors sought fresh opportunities to deploy capital.

Not only did equity fundraising jump 75% year-on-year in April-September, according to PRIME Database Group, but average listing gains also jumped to 19% from 7%.

In contrast, the benchmark Nifty 50 inched up 1.3% in the period.

Pranav Haldea, managing director of PRIME Database Group, cited two reasons for the "unusual" divergence between the primary and secondary markets - a backlog of initial

public offerings over the last 2-3 years and strong domestic liquidity.

The half-year had long-awaited IPOs from big-ticket companies, including bourse operator NSE's $2.3 billion issue, India's second-largest on record, the country's largest asset manager SBI Funds Management's $1.03 billion IPO and hospital chain operator Manipal Health Enterprises' $960 million offering.

Mainboard IPOs raised a record 942.05 billion rupees across 78 issues, 35% higher than the previous record set in the first half of fiscal 2026, data showed.

In April, India's market regulator granted a one-time extension for IPOs deferred due to weak market sentiment from the Middle East war, whose approvals were lapsing between April and September, adding to the surge.

Investments and divestments

Investors also looked for niche opportunities, with a number of listings coming from sectors thinly represented on Indian bourses, according to Yatin Singh, CEO - investment banking at Emkay Global Financial Services, offering them a way into newer corners of the economy.

Some of these include furniture rental platform Rentomojo, supply chain asset pooling company LEAP India and Asset Reconstruction Company (India), among others.

Meanwhile, the government's spree of divestments from companies such as Life Insurance Corp of India and Coal India pushed secondary stock offerings fivefold higher to 553.37 billion rupees.

Of this, LIC's 6.5% stake sale alone accounted for about 314 billion rupees.

Qualified institutional placements also jumped 36% to 615.53 billion rupees, led by Gautam Adani-led Adani Enterprises.

The rush is showing little sign of slowing down. Nearly 250 companies are in the pipeline to raise about 4.65 trillion rupees through IPOs, according to PRIME Database.

This includes Jio Platforms' $3.8 billion IPO, Danish brewer Carlsberg's India business, and hotel aggregator Oyo's parent Prism.

"Things are not going to change dramatically in the second half unless any fundamental aspects, globally or in India, change materially from where we are right now," Singh added.

($1 = 96.1625 Indian rupees)

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