Indian companies raise record half-year equity funding as IPO market outpaces stocks

India's primary market is drawing strong investor demand even as the broader stock market posts only modest gains in the first half of fiscal 2027. Companies raise 2.43 trillion rupees, or $25.27 billion, in equity funding in April to September, helped by large IPOs, government stake sales and robust domestic liquidity.

Highlights

Indian companies raised a record 942.05 billion rupees via 78 mainboard IPOs in April-September, 35% above the previous high, as average listing gains rose to 19%.

Secondary share sales surged fivefold to 553.37 billion rupees, led by a 314 billion rupees Life Insurance Corp of India stake sale, while QIPs increased 36% to 615.53 billion rupees.

Nearly 250 companies plan to raise about 4.65 trillion rupees through IPOs, including Jio Platforms and Carlsberg's India unit, signaling sustained primary market momentum.

Record fundraising driven by IPO backlog

As reported by Reuters, data from PRIME Database Group shows equity fundraising by Indian companies rises 75% year on year in April-September, while average listing gains climb to 19% from 7%. Over the same period, the benchmark Nifty 50 inches up 1.3%, highlighting a sharp divergence between primary and secondary markets.

Pranav Haldea, managing director of PRIME Database Group, says the unusual gap reflects a backlog of IPOs built up over the past two to three years and strong domestic liquidity. The period includes major offerings from exchange operator NSE, SBI Funds Management and hospital chain Manipal Health Enterprises.

Mainboard IPOs raise a record 942.05 billion rupees across 78 issues, 35% above the previous high set in the first half of fiscal 2026. In April, India's market regulator also grants a one-time extension for IPOs delayed by weak market sentiment linked to the Middle East war, allowing deals with approvals due to lapse between April and September to proceed.

Pipeline points to sustained issuance

Investors are also seeking exposure to underrepresented parts of the economy, according to Yatin

Singh, CEO of investment banking at Emkay Global Financial Services. Recent listings include Rentomojo, LEAP India and Asset Reconstruction Company India, giving buyers access to niche sectors on Indian exchanges.

Secondary share sales rise fivefold to 553.37 billion rupees, supported by the government's divestments in companies including Life Insurance Corp of India and Coal India. LIC's 6.5% stake sale alone contributes about 314 billion rupees, while qualified institutional placements increase 36% to 615.53 billion rupees, led by Adani Enterprises.

The fundraising surge shows little sign of easing, with nearly 250 companies in the pipeline to raise about 4.65 trillion rupees through IPOs, according to PRIME Database. Prospective deals include Jio Platforms, Carlsberg's India business and Oyo parent Prism, while Singh says conditions are unlikely to change dramatically in the second half unless global or domestic fundamentals shift materially.

Our earlier report on NSE’s corporate bond index futures explained that the exchange received SEBI’s no-objection certificate to introduce a new exchange-traded product aimed at corporate bond risk management, hedging, and better price discovery. We noted that the launch is still subject to RBI approval and is intended to deepen India’s fixed-income market by supporting liquidity and broader institutional participation.