

{ HERE TO STAY } AT LEAST 10 COMPANIES ARE SET TO LAUNCH THEIR SHARE SALES IN THE COMING WEEKS, SAY EXPERTS

Paytm's market debacle unlikely to hold back IPO frenzy

Swaraj Singh Dhanjal

swaraj.d@livemint.com

MUMBAI: Paytm's market debacle is unlikely to cast a chill over the frenzied initial public offering market, though it may temper the valuation expectations of money-losing companies that are set to go public.

IPO activity is expected to remain strong, with at least 10 companies set to launch their share sales in the coming weeks, four industry experts said. The companies aim to raise a combined ₹20,000 crore

through their share sales.

"Good quality companies at attractive valuations will always find takers," said Pranav Haldea, managing director at Prime Database, a primary market tracker.

"Unless you see a major trend reversal in the secondary market, the primary market activity shall continue. The Paytm IPO should result in some tempering of valuations, especially for loss-making startups that are in the IPO pipeline. However, it is not that investors have become averse to all IPOs."



The IPO rush is coming even as Paytm declined 37% in two sessions since listing. REUTERS

Major companies that are expected to launch IPOs in the

coming weeks include Star Health and Allied Insurance Co. Ltd, which wants to raise ₹7,500 crore; Adani Wilmar Ltd, which plans to raise ₹4,500 crore; and Vedant Fashions, the parent of Manyavar, which will raise around ₹2,500-3,000 crore.

Other companies planning to go ahead with their IPO launch in December include MapMyIndia, footwear retailer Metro Brands, travel SaaS company RateGain Technologies, Shri Bajrang Power and Ispat, CMS Info Systems Ltd, Tracxn Technologies and Tega Industries,

the people cited above said. Some of these launches are subject to receiving Sebi approvals, which may happen soon, the people said. This rush of IPO is coming even as Paytm's 37% decline in two trading sessions since listing on Thursday has led to an uproar on social media over the pricing of IPOs. Paytm, however, surged nearly 10% on Tuesday, paring some of the initial losses. On Tuesday, data analytics provider Latent View Analytics surged 148% on market debut, recording one of the highest listing-day gains.