

IPOs get bankers bumper fees

Bloomberg

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Indian investment bankers are set for their best year ever, collecting almost ₹2,600 crore (\$347 million) in fees from local initial public offerings that have reached an all-time high in 2021.

A little over 110 companies ranging from online grocers to food delivery and beauty startups listed their shares in Mumbai this year, raising almost \$18 billion, according to data compiled by *Bloomberg*. The fees raked in by banks steering those first-time share sales are more than four times the previous record in 2017, figures provided by New Delhi-based Prime Database show.

“It was an extraordinarily busy year, something I haven’t

seen in my 30-year career,” said Jayasankar Venkataraman, head of equity capital markets at Kotak Mahindra Capital Co. in Mumbai. “Investment bankers carried work home and they weren’t fully switched off.”

The IPO surge, coming amid a rally in the benchmark local stock index that hit a record in October, was led by companies including One 97 Communications Ltd, Zomato Ltd and PB Fintech Ltd. The wave of listings in India has tracked the wider trend in Asia, where companies have raised about \$181 billion this year, an unprecedented level.

One 97 offers digital pay-

ments services under the brand Paytm; Zomato is a food delivery startup; and, PB Fintech runs an online insurance marketplace called Policybazaar.

There are many more share sales lined up for next year in

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India, besides the proposed mega listing by state-owned Life Insurance Corp. of India, which could raise at least ₹40,000 crore (\$5.3 billion).

Kotak Mahindra’s Venkataraman expects 2022 will see similar amount of fundraising or more. But risks such as the spread of Omicron, rising inflation and interest-rate increases could damp the sentiment in the market, he added.