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PRESS RELEASE

PANDEMIC YEAR DEFIED BY HIGHEST-EVER PUBLIC EQUITY MARKET FUNDRAISING: primedatabase.com

Despite almost the entire calendar 2020 being overshadowed by the pandemic, an all-time high fund raising through the public equity markets was witnessed at Rs. 1,77,468 crore. This was 116 per cent higher than Rs. 82,241 crore that was raised in calendar 2019, according to Pranav Haldea, Managing Director, PRIME Database Group, India's premier database on the capital market, which runs primedatabase.com. The previous highest amount raised in a calendar year was Rs. 1,60,032 crore in 2017.

Strong retail participation in IPOs, huge listing gains and highest-ever amount raised through QIPs and InvITs/RelTs were the key highlights of the year.

FUND MOBILIZATION-PUBLIC MARKETS

Rs. crore

Year	IPOs (incl. SME IPOs)	FPOs(incl. SME FPOs)	OFS(SE)	QIPs (incl. RelT-QIPs)	IPPs	IDRs	InvITs/ RelTs	Total Equity	Bonds (Public)	Total Equity + Bonds
2020	26,770	15,024	21,458	84,501	-		29,715	1,77,468	7,485	1,84,953
2019	12,985	11	25,999	35,238	-		8,008	82,241	18,637	1,00,878
2018	33,246	-	10,672	15,587	-		3,145	62,651	30,701	93,352
2017	68,827	12	18,094	61,148	4,668		7,283	1,60,032	6,511	1,66,543
2016	27,031	9	13,066	4,712	-		-	44,819	41,827	86,646
2015	13,874	-	35,566	19,065	-		-	68,505	21,547	90,053
2014	1,468	497	5,011	31,684	418		-	39,078	24,216	63,295
2013	1,619	6,959	23,964	8,075	4,823		-	45,440	34,643	80,083
2012	6,938	-	23,769	4,705	841		-	36,253	23,365	59,619
2011	5,966	8,055	-	3,459	-		-	17,481	27,268	44,749
2010	37,535	31,577	-	26,147	-	2,487	-	97,746	2,727	1,00,474

Source: primedatabase.com

IPOs: According to Haldea, contrary to the despondency due to the pandemic, 15 main-board IPOs came to the market collectively raising Rs. 26,611[#] crore. This was an increase of 115 per cent from the Rs. 12,362 crore raised through 16 IPOs in 2019. **Number of companies and amounts raised through main board IPOs in the last 5 years are given in the table below:**

Main Board IPOs

Year	No. of Companies	Amount (Rs.crore)
2020	15	26,611
2019	16	12,362
2018	24	30,959
2017	36	67,147
2016	26	26,494
2015	21	13,614

Source: primedatabase.com

Rs.7,880 crore accounted for a further 30 per cent of the IPO amount.

The largest IPO in 2020 was from SBI Cards for Rs. 10,341 crore. The average deal size was Rs. 1,774 crore.

5 out of the 15 IPOs that hit the market had a prior PE/VC investment. Offers for sale by such PE/VC investors at Rs. 8,026 crore accounted for 30 per cent of the total IPO amount. Offers for sale by promoters at

Out of the 15 IPOs, 13 companies had anchor investors, which collectively subscribed to 29 per cent of the total public issue amount. **The domestic institutional investors played a significant role as anchor investors, with their subscription amounting to 13 per cent of the amount. This was, however, lower than the 16 per cent from FPIs.**

The overall response from the public to the mainboard IPOs of the year, according to primedatabase.com, was very good. **9 IPOs received a mega response of more than 10 times** (Mazagon Dock at 156 times followed by Mrs.Bectors Food Specialities (138 times), Chemcon Speciality Chemicals (102 times), Burger King (86 times), Happiest Minds Technologies (82 times), Rossari Biotech (55 times), Route Mobile (52 times), Computer Age Management Services (33 times) and SBI Cards (19 times). 1 other IPO was oversubscribed by more than 3 times. Only 4 IPOs were oversubscribed between 1 to 3 times (response data of 1 recent IPO is not yet available).

As far as retail investors are concerned, the year witnessed tremendous response from them. The highest number of applications was received by SBI Cards at 26.95 lakhs followed by Mazagon Dock (23.56 lakhs), Mrs.Bectors Food Specialities (22.02 lakhs), Burger King (19.75 lakhs), Chemcon Speciality Chemicals (19.71 lakhs), Happiest Minds Technologies (18.62 lakhs), Computer Age Management Services (18.57 lakhs) and Route Mobile (13.62 lakhs).

According to Haldea, response to IPOs was further buoyed by **strong listing performance of IPOs** of the year. Of the 14 IPOs which got listed, 10 gave a return of over 10 per cent (based on closing price on listing date). Burger King gave a stupendous return of 131 per cent followed by Happiest Minds Technologies (123 per cent), Mrs.Bectors Food Specialities (107 per cent), Route Mobile (86 per cent), Rossari Biotech (75 per cent), Chemcon Speciality Chemicals (72 per cent), Gland Pharma (21 per cent), Mazagon Dock (19 per cent), Computer Age Management Services (14 per cent) and Likhitha Infrastructure (14 per cent). **Moreover, all 14 IPOs (listed thus far) are trading between 1 and 220 per cent above the issue price (closing price of 24th December, 2020).**

SME IPOs: Activity in this segment further declined in 2020 in comparison to 2019; there were only 27 SME IPOs, which collected a total of Rs. 159 crore in comparison to 51 IPOs in 2019 which collected Rs. 624 crore. **Number of SME IPOs and amounts raised in the last 5 years are given in the table below:**

SME IPOs

Year	No. of Companies	Amount (Rs.crore)
2020	27	159
2019	51	624
2018	141	2,287
2017	133	1679
2016	67	537
2015	43	260

The largest SME IPO in the year, as per primedatabase.com, was from Secmark Consultancy (Rs.14 crore).

OFS (SE): According to primedatabase.com, Offers for Sale through Stock Exchanges (OFS), which is for dilution of promoters' holdings, saw a decline, from Rs. 25,999 crore raised in 2019 to Rs. 21,458 crore^{##} raised in 2020. Of this, the

Source: primedatabase.com

Government's divestment accounted for Rs. 10,545 crore or 49 per cent of the overall amount). The largest OFS was that of Hindustan Aeronautics in August (Rs. 4,961 crore) followed by IRCTC (Rs.4,408 crore) and Avenue Supermarts (Rs.3,428 crore). OFS accounted for 12 per cent of the total year's public equity markets amount.

FPOs: FPOs made a comeback after several years. This was primarily on account of the mega Yes Bank FPO which raised Rs. 15,000 crore. Overall, 2 companies mobilized Rs. 15,054 crore through FPOs.

QIPs: 26 companies mobilized Rs. 84,501 crore through QIPs, highest ever in a calendar year. This was 140 per cent higher than Rs. 35,238 crore raised in the previous year. The largest QIP of 2020 was from ICICI Bank raising Rs. 15,000 crore, accounting for 19 per cent of the total QIP amount. QIPs were dominated by banks, NBFCs and telecommunication companies with them accounting for 84 per cent (Rs.67,781 crore) of the overall amount.

2020 also saw the first ever ReIT QIP (Embassy Office Parks raising Rs. 3,685 crore).

InvITs/ReITs: The amount raised through InvITs and ReITs saw an increase of 271 per cent to Rs. 29,715 crore from Rs. 8,008 crore in 2019.

Fresh Capital

Of the total amount of Rs. 1,77,468 crore, the fresh capital amount was Rs. 1,29,418 crore (73 per cent); the remaining Rs. 48,050 crore being offers for sale.

Divestments

2020 has been a dismal year for divestments with only Rs.42,815 crore being raised by the Government. ETFs at Rs.16,500 crore (39 per cent) was the most used mode followed by CPSE to CPSE sale at Rs. 13,883 crore (32 per cent) Public Offers (IPO of Mazagon Dock and OFS of Bharat Dynamics, HAL, IRCTC and RITES) at Rs.10,988 crore (26 per cent), Buybacks (Mazagon Dock, Security Printing & Minting Corp., RITES, KIOCL, HPCL, NTPC and NMDC) at Rs. 844 crore^{###} (2 per cent) and Remittances from SUUTI at Rs. 600 crore (1 per cent).

For 2020-21, the Government has set a target of Rs. 2,10,000 crore. Of this, only Rs. 10,861 crore or 5 per cent has been achieved thus far. Reduction in the Government's holding in 23 listed CPSEs to 75 per cent (which is also a mandatory SEBI requirement) can contribute to over Rs. 18,000 crore of this. Further, the Government has also placed a roadmap for several unlisted profit making CPSEs to get listed. Lastly, the Government has also identified 45 CPSEs for strategic sale.

Outlook for 2021

According to Haldea, the continuing buoyancy in secondary markets as also the listing performance of IPOs in the last few months have provided impetus to the primary market. The IPO pipeline continues to remain strong with 28 companies holding SEBI approval wanting to raise nearly Rs. 28,706 crore and another 7 companies wanting to raise nearly Rs. 4,410 crore awaiting SEBI approval.

Public Bonds: Public bonds market saw a near 60 per cent decrease with 20 issues raising Rs. 7,485 crore^{####} in comparison to 35 issues raising Rs. 18,637 crore last year. The largest issue was from Tata Capital Housing Finance and Muthoot Finance raising Rs. 2,000 crore each.

Debt Private Placements: Amount raised through debt private placement reached an all time high of Rs. 7,51,395 crore (as on 24th December 2020), up from Rs. 7,09,979 in 2019.

Rights Issues: Mobilisation of resources through rights issues, according to primedatabase.com, recorded an increase in 2020. **By amount, the period saw Rs. 64,984 crore being raised, which was higher by 25 per cent than Rs. 52,053 crore that was raised in 2019 and the highest ever amount raised through rights.** This was primarily on account of 1 large issue of Reliance Industries (Rs.53,124 crore). By number, the year witnessed 20 companies using the rights route in comparison to 12 companies in the

previous year. **Number of rights issues and amounts raised in the last 5 years are given in the table below:**

Rights Issues

Year	No. of Companies	Amount (Rs.crore)
2020	20	64,984
2019	12	52,053
2018	13	18,827
2017	21	6,639
2016	10	1,914
2015	13	12,568

Source: primedatabase.com

Amount of Main Board IPO of Antony Waste Handling Cell has been calculated on basis of lower price band
 ## Federal-Mogul Goetze and Dishman Amcis OFS (offer to employees) amount not finalised
 ### HPCL, NTPC and NMDC buyback amount not finalised
 #### Muthoot Finance, Edelweiss Financial Services and Kosamattam Finance Debt Public Issues base issue amount considered