

27th March 2025

PRESS RELEASE

EQUITY & DEBT FUND RAISING AT ALL TIME HIGHS IN 2024-25 DESPITE CHOPPY MARKETS: primedatabase

Fund raising by Indian corporates through equity and debt reached all-time highs in financial year 2024-25, according to primedatabase.com, India's premier database on the primary capital market.

According to Pranav Haldea, Managing Director, PRIME Database Group, overall public equity fundraising stood at a staggering ₹3,71,460 crore in 2024-25, an increase of 92 per cent from ₹1,90,104 crore raised in 2023-24. If Rights Issues of ₹16,167 crore (including of InvITs/ReITs) were to be added, the overall equity fund raising nearly touched ₹3.88 lakh crore in 2024-25.

According to Haldea, fund raising through debt also reached an all-time high of ₹11,12,375 crore (including of InvITs/ReITs) of which ₹11,04,331 crore was through private placement of debt and ₹8,044 crore through public bonds.

FUND MOBILIZATION-PUBLIC MARKETS

₹Crore

FY	IPOs (incl.SME IPOs)	FPOs (incl. SME FPOs)	OFS(SE) (incl. InvIT/ ReIT-OFS(SE))	QIPs (incl.SME / InvIT/ ReIT-QIPs)	IPPs	InvITs/ ReITs/SM- ReITs	Total Equity	Public Bonds (incl. InvIT/ ReIT-Public Debt)	Total Equity + Bonds
2024-25	1,71,519	18,143	30,741	1,43,052	-	8,006	3,71,460	8,044	3,79,504
2023-24	67,894	26	24,569	80,499	-	17,116	1,90,104	20,787	2,10,890
2022-23	54,350	-	11,159	10,235	-	1,166	76,911	8,944	85,855
2021-22	1,12,512	4,314	14,530	28,532	-	13,841	1,73,728	11,710	1,85,438
2020-21	31,512	15,029	28,440	81,731	-	33,515	1,90,227	10,585	2,00,812
2019-20	20,786	35	17,326	51,216	-	2,306	91,670	15,146	1,06,816
2018-19	16,340	-	21,686	10,489	-	8,847	57,362	36,788	94,150
2017-18	83,767	12	17,431	62,520	4,668	7,283	1,75,680	5,167	1,80,848
2016-17	29,050	9	8,390	13,671	-	-	51,120	29,547	80,667
2015-16	14,811	-	19,822	14,358	-	-	48,991	33,812	82,803

Source: primedatabase.com

Main Board IPOs: 78 Indian corporates raised an all-time high of ₹1,62,387 crore through main board IPOs in 2024-25, more than 2.5 times of ₹61,922 crore mobilized by 76 IPOs in 2023-24. The largest IPO in 2024-25 was from Hyundai Motor (₹27,859 crore). This was followed by Swiggy (₹11,327 crore) and NTPC Green Energy (₹10,000 crore). At the other end, the smallest IPO was from Kronox Lab Sciences raising just ₹130 crore. The average deal size increased 2.5 times to ₹2,082 crore, up from ₹815 crore last year.

According to Haldea, New age technology companies (NATCs) made a comeback in 2024-25, after 2 relatively quiet years, with 8 IPOs (Awfis, Blackbuck, Digit Insurance, Firstcry, Ixigo, Mobikwik, Swiggy and Unicommerce) raising ₹21,438 crore (2022-23: ₹3,040 crore, 2021-22: ₹ 5,544 crore).

The overall response from the public, according to primedatabase.com, was excellent. 56 out of the 78 IPOs received a mega response of more than 10 times (of which 33 IPOs more than 50 times) while 7 IPOs were oversubscribed by more than 3 times. The balance 15 IPOs were oversubscribed between 1 to 3 times.

Interest levels of retail investors also increased further. **The average number of applications from retail rose to 21.33 lakh in 2024-25, in comparison to 13.15 lakh last year.** The highest number of applications from retail were received by Waaree Energies (70.13 lakhs) followed by Bajaj Housing Finance (58.66 lakhs) and KRN Heat Exchanger & Refrigeration (55.23 lakhs).

The amount of shares applied for by retail by value of ₹3.29 lakh crore was 103 per cent higher than the total IPO mobilisation (in comparison to being 218 per cent higher in 2023-24) **again showing tremendous enthusiasm from retail during 2024-25.** The total allocation to retail, however, was only ₹40,471 crore which was 25 per cent of the total IPO mobilisation (down from 27 per cent in 2023-24).

According to Haldea, IPO response was further buoyed by strong listing performance. Average listing gain (based on closing price on listing date) **increased slightly to 30 per cent, in comparison to 29 per cent in 2023-24.** 55 out of the 78 IPOs gave a return of over 10 per cent. Mamata Machinery gave a stupendous return of 159 per cent on listing day followed by Bajaj Housing Finance (136 per cent) and KRN Heat Exchanger & Refrigeration (117 per cent).

46 of the 78 IPOs continue to trade above the issue price. In fact, the average return of the 78 IPOs of 2024-25 has been 15 per cent, despite the market correction in the second half of the year. In fact, the average absolute return from IPOs from 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 has been a respectable 300, 257, 71, 75 and 42 per cent respectively (closing price of 24th March, 2025). According to Haldea, this bursts the myth that IPOs are “always overpriced” and do not provide long term returns.

Only 17 out of the 78 IPOs that hit the market had a prior PE/VC investor who sold shares in the IPO. Offers for sale by such PE/VC investors at ₹15,908 crore accounted for 10 per cent of the total IPO amount while Offers for sale by private promoters at ₹75,077 crore accounted for 46 per cent of the IPO amount. On the other hand, the amount of fresh capital raised in IPOs in 2024-25 was ₹57,515 crore or 35 per cent of the total amount. 32 per cent of the amount raised through fresh capital was for Investment in Subsidiary/Joint Venture/Associate Companies followed by General Corporate Purpose (16 per cent), Retirement of Debt (15 per cent), Capital Enhancement/Working Capital (14 per cent) and Expansion/New Project/Plant & Machinery (9 per cent).

Anchor investors collectively subscribed to **35 per cent** of the total public issue amount. **FPIs played a slightly more dominant role than Mutual Funds as anchor investors with their subscription amounting to 16 per cent of the issue amount with Mutual Funds at 13 percent.**

Qualified Institutional Buyers (including Anchors Investors) as a whole subscribed to 67 per cent of the total public issue amount. **FPIs, on an overall basis, as anchors and QIB, subscribed to 32 per cent of the issue amount in comparison to Mutual Funds at 22 per cent.** FPIs pumped in a significant ₹1.21 lakh crore in the primary market in 2024-25 while selling ₹2.64 lakh crore in the secondary market.

According to Haldea, investor enthusiasm can be further gauged from the fact that, across categories, the average oversubscription stood at 49 times, in comparison to 35 times last year. Average retail oversubscription too stood at a huge 35 times in comparison to 30 times last year.

2024-25 also saw an all-time high 165 companies filing their offer document with SEBI for approval (in comparison to 94 in 2023-24). On the other hand, during the year, 7 companies looking to raise ₹12,500 crore let their approval lapse, **16 companies looking to raise ₹27,000 crore withdrew their offer document and SEBI returned the offer documents of another 15 companies looking to raise ₹21,500 crore.**

Outlook for FY 2025-26

The pipeline of issues continues to be staggering. **49 companies proposing to raise ₹84,000 crore are presently holding SEBI approval waiting to hit the market while another 67 companies looking to raise about ₹1,02,000 crore are awaiting SEBI approval** (Out of these 116 companies, just 4 are NATCs which are looking to raise roughly ₹8,500 crore). In addition, scores of companies are preparing to file their offer documents in the near future. **However, according to Haldea, given the recent market volatility, issuers seem to be in a wait and watch mode as the month of March has shown with no main board IPO being launched at all, the first time since May 2023. An IPO is a once in a lifetime event for a company and they would rather let their approval lapse than to launch in a volatile or bearish market.**

SME IPOs: Activity in this segment saw a huge increase in 2024-25 with 235 SME IPOs collecting a total of ₹9,133* crore, 53 per cent higher than ₹5,971 crore from 204 IPOs last year. The largest SME IPO was of Danish Power (₹188 crore). **The average issue amount has seen a 4-fold jump in 4 years from just ₹9 crore in 2020-21 to ₹39 crore in 2024-25.**

The response of retail investors has also increased tremendously. **The average number of applications from retail increased to 1.77 lakh in comparison to just 511 applications in 2020-21.**

Average listing gain (based on closing price on listing date) in SME IPOs declined slightly to 48 per cent in comparison to 51 per cent in 2023-24. 105 of the 235 SME IPOs are trading above the issue price with the average return being 17 per cent. In fact, the average return from SME IPOs from 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 has been a stunning 617, 1066, 419, 297 and 121 per cent respectively (closing price of 24th March, 2025).

The average oversubscription for SME IPOs across categories stood at 181 times in comparison to 113 times last year. Average retail oversubscription stood at 233 times in comparison to 156 times last year.

FPOs: ₹18,142 crore was raised through FPOs (including SME FPOs), almost entirely due to the mega FPO of ₹18,000 crore from Vodafone Idea.

OFS (SE): According to primedatabase.com, Offers for Sale through Stock Exchanges (OFS), which is for dilution of promoters' holdings, saw an increase of 29 per cent, from ₹22,569 crore raised in 2023-24 to ₹30,741 crore raised this year. Of this, the Government's divestment accounted for just ₹4,359 crore or 14 per cent of the overall amount. The largest OFS was that of GE T&D India (₹5,820 crore). OFS accounted for just 8 per cent of the year's public equity markets mobilization. 2024-25 also saw an OFS by an InvIT/ReIT (India Grid Trust raising ₹1,807 crore).

QIPs: QIPs more than doubled with 91 companies mobilizing ₹1,43,052* crore through QIPs in 2024-25, in comparison to ₹71,306 crore in 2023-24. The largest QIPs were from Vedanta & Zomato raising ₹8,500 crore each, accounting for 12 per cent of the total QIP amount. In addition, there were 3 QIPs of InvIT/ReIT (Anzen India Energy Yield Plus Trust, Brookfield India Real Estate Trust & National Highways Infra Trust) of ₹8,954 crore.

InvITs/ReITs: The amount raised through InvITs and ReITs declined to ₹8,006 crore (4 issues) from ₹17,116 crore last year.

Fresh Capital

Of the total equity mobilisation of ₹3,71,460 crore, fresh capital amount was ₹2,34,573 crore (63 percent, in comparison to 67 percent last year); the remaining ₹1,36,887 crore being offers for sale.

Divestments

OFS's of GIC & Cochin Shipyard (₹4,359 crore) were the only divestments in 2024-25.

Rights Issues: Mobilisation of resources through rights issues, according to primedatabase.com, went up marginally to ₹14,452 crore from ₹14,189 crore in 2023-24.

The largest Rights Issue of 2024-25 was from UPL ₹3,378 crore, accounting for 23 per cent of the total Rights Issues amount. By number, 2024-25 witnessed 33 companies using the rights route in comparison to 21 companies in 2023-24. In addition, there was 1 rights issue of InvITs/ReITs, of IRB Infrastructure Trust, raising ₹1,715 crore.

Public Bonds: Public bonds market saw a decline with 44 issues raising ₹8,044 crore in comparison to 48 issues raising ₹20,787 crore last year. The largest issue was from Motilal Oswal Financial Services raising ₹1,000 crore.

Debt Private Placements: Amount raised through debt private placement in 2024-25 stood at an all-time high ₹10.79 lakh crore, up 6 per cent from ₹10.20 lakh crore last year. This was mobilised by 1,033 institutions and corporates. The highest mobilisation through debt private placements was by NABARD (₹72,388 crore) followed by REC (₹57,826 crore) and PFC (₹50,077 crore). In addition, there were 19 debt private placements from InvITs/ReITs raising ₹25,585 crore.

Overseas Bonds: Indian companies also raised ₹4,55,368 crore through overseas borrowing (including ECBs[^]), up 2 per cent from ₹4,46,901 crore in 2023-24.

At an overall level, fund raising by Indian corporates, through equity and debt, in India and abroad, covering IPOs, FPOs, OFS (SE), Rights, QIP, InvITs/ReITs, preferential issues, Public Debt, Debt Private Placement, Overseas Bonds, ECB and FCCB, increased to an all-time high of ₹19.96 lakh crore in 2024-25 from ₹17.59 lakh crore last year.

- * Amounts of SME IPOs of Grand Continent Hotels, Active Infrastructures, Rapid Fleet Management Services, Desco Infratech, ATC Energies System, Shri Ahimsa Naturals, Identixweb, Retaggio Industries, Aten Papers & Foam, Infonative Solutions and Spinaroo Commercial have been calculated on basis of lower price band
 - # Estimated amounts of QIPs of UCO Bank (₹2,000 crore), Punjab & Sind Bank (₹2,000 crore), Central Bank of India (₹1,500 crore) and Restaurant Brands Asia (₹500 crore) have been considered
 - ^ ECB data till January, 2025
-