

● ONLY TWO ISSUES THIS WEEK

IPO mkt braces for brief slump

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AFTER A WAVE of initial public offerings (IPOs) in recent weeks, the primary market will experience a brief slowdown, with only two new public issues scheduled for the next week, aiming to raise ₹365 crore.

There were 12 IPOs in the mainboard segment and 40 in the SME (small and medium enterprise) segment in September. IPOs scheduled for next week, beginning October 7, are Garuda Construction and Engineering on the main board and Shiv Texchem on the SME segment.

Garuda Construction is seeking to raise ₹264 crore, and Shiv Texchem is aiming for over ₹101 crore through their respective IPOs available for public subscription during October 8-10. The stock market has seen a significant correction in the equity market since the start of October amid intensifying conflict between Israel and Iran.

Despite the temporary slowdown, overall, the outlook for the IPO market is promising, with 26 firms proposing to raise ₹72,000 crore presently holding Sebi's approval while another 55 firms looking to garner about ₹89,000 crore are awaiting the regulator's clearance, according to the Primedatabase.

This month will see Hyundai Motor India, the Indian arm of South Korean automaker Hyundai, hitting the primary market to raise around ₹25,000 crore. The company's IPO is likely to be launched on October 14, according to sources.

If the offering proceeds as planned, it will surpass Life Insur-



WEAK SENTIMENT

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ance Corporation's (LIC) public offering of ₹21,000 crore, becoming the largest IPO in India's history.

Moreover, 63 companies have already mobilised around ₹64,000 crore via mainboard, marking a 29% increase from ₹49,436 crore collected by 57 firms through the route in 2023.

The strong momentum in IPO markets is being driven by several key macroeconomic, sector-specific factors and the willingness of funds to look at new ideas.

In particular, strong inflows into domestic mutual funds and robust capital formation across corporate India are playing key roles, experts said.