

# Year-end rush: Market recovery sets IPO Street abuzz again

ILLUSTRATION: AJAY MOHANTY

**SUNDAR SETHURAMAN**  
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After a brief lull, the initial public offering (IPO) market is buzzing again with markets recovering from recent lows.

On Friday, three firms — Vishal Mega Mart, Sai Life Sciences, and One MobiKwik Systems — announced plans to raise a combined ₹1,615 crore via IPOs. Several other companies, including International Gemological Institute and Avanse Financial Services, are expected to follow suit.

The surge in IPO activity comes after a slowdown triggered by poor listings, weak demand, foreign portfolio investor (FPI) outflows, and earnings disappointments. However, with

the Nifty 50 index and Nifty Smallcap 100 rebounding 6 per cent and 9 per cent, respectively, from their November lows, the primary market is once again vibrant.

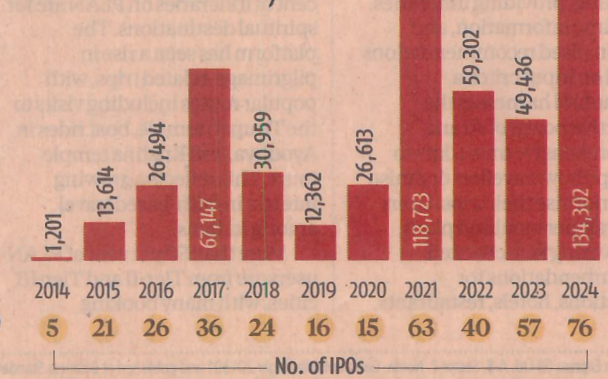
The latest round of IPOs will further boost the tally for the year. During the first 11 months of 2024, 76 firms raised ₹1.34 trillion, surpassing the 2021's record tally of ₹1.19 trillion.

Bankers say the recent market sell-off made it challenging to price and execute deals, but the Maharashtra Assembly election results sparked a dramatic market revival. Despite the sell-off, fundraising remained robust during the two-month downturn, largely due to three large deals.

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## THE FIZZ IS BACK

IPO tally this year is already highest ever for a calendar year  
Amount raised (₹ crore) 151



Note: 2024 tally as of November

Source: PRIME Database



## COMING UP NEXT WEEK

Issue size (₹ cr)

Vishal Mega Mart 8,000	Sai Life Sciences 3,043	MobiKwik 572
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Source: Company

▶ MOBIKWIK CUTS DOWN ISSUE SIZE FOR THIRD TIME

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## FPI revival triggers IPO rush

However, bankers said most transactions lacked broad participation, while some merely scraping through.

Bankers said the rush to close IPO deals is triggered by a revival in FPI flows. Also, the last 10 days of a month is generally avoided due to concerns over lack of FPI participation.

“The sell-off did impact subscription numbers,” said Deepak Kaushik, EVP and group head of ECM at SBI Capital Markets. “While recent IPOs have not seen double-digit subscriptions, demand from long-term investors remains intact. Additionally, there is decent demand from FPIs for upcoming issues,” he said.

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14 companies raised nearly ₹70,000 crore, despite modest subscription levels for marquee IPOs, such as Hyundai Motor India, Swiggy, and NTPC Green Energy, which garnered less than three times subscription.

Ajay Garg, managing director of Equirus, said that initial public offering fortunes were tied to the secondary market, which has seen a decent revival and improved participation after the state election results.