

Investors get good exits in IPO frenzy, pocket ₹1 lakh crore in 2024

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INVESTORS AND promoters have taken home close to Rs 1 lakh crore through the sale of shares in initial public offerings (IPOs) in 2024, the highest level in at least 10 years. The amount raised through the sale of fresh shares was around Rs 64,300 crore.

This is the continuation of a trend, seen over the past several years, in which smaller amounts are being raised via the issuance of fresh shares and used to grow the business or repay debt. Existing shareholders have been pocketing a larger share of the IPO proceeds.

For instance, the IPO of Hyundai Motor India, which saw Rs 27,860 crore being raised, was entirely a sale of shares by the parent company.

Data shared by Prime Database reveal that Rs 95,210 crore has been mopped up by promoters and investors via offers for sale (OFS) in 2024. This is more than the Rs 75,400 crore



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that OFS fetched them in 2021.

Among the many startups that launched their IPOs this year, those of Unicommerce, Ixigo, Awfis, TBO Tek, Swiggy, and Brainbees Solutions had a large OFS component.

The exits at attractive valuations have been possible, thanks to a huge investor appetite, especially among retail investors. In fact, a whopping Rs 1.6 lakh crore has been mopped up in the primary market in 2024 by 90 companies, the highest so far in a year, topping the Rs 1.19 lakh

crore raised through IPOs in 2021 by 63 companies.

The year has been a bumper one for new-age technology companies, with 13 startups making their debut on the bourses. This is more than the six players which had hit the market in 2023 and 2022 and the 10 in 2021. The momentum is expected to sustain in the coming year with around 50 startups announcing plans to go public. Collectively, the 13 startups raised close to Rs 29,250 crore this year.