

Best Dec for IPOs since 1996

15 firms collectively raised ₹25,425 cr last mth

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Fifteen companies launched their initial public offerings (IPOs) in December 2024 collectively raising ₹25,425 crore, making it the best month for public offerings since 1996 in terms of the quantum of funds raised. From the perspective of the number of IPOs, though, it was the second best since December 1996 when 33 companies had collectively raised ₹931 crore.

One Mobikwik Systems, which raised ₹572 crore, Vishal Megamart (₹8,000 crore), International Gemological Institute (₹4,225 crore), and DAM Capital Advisors (₹840 crore) were some of the IPOs that hit the markets last month.

December is usually a tepid month for IPOs as securing foreign portfolio investors (FPI) support is a challenge due to the holiday season in the latter half of the month.

From 1997 to 2020, the number of IPOs in December were in single digits. However, things changed since 2021, and barring 2022, the other three December months saw 11 IPOs.

Investment bankers said the domestic institutional flows in equity markets, the availability of at least some during the year-end holiday period and the post-listing returns led to the success of the IPOs in this month.

"Earlier, the IPO fundraising used to be driven a lot by foreign investors who used to be shut in December. But in the last three years, the market has become driven by domestic investors.

Moreover, the momentum has been strong, and bankers were confident in securing good subscription numbers. FPIs have also been participating in primary issuances even when selling in the secondary markets," said Pranjal Srivastava, partner investment banking of Centrum Capital.

In 2024, domestic institutions were the net buyers to the tune of ₹5.3 trillion, and foreign investors were net buyers to the tune of ₹1.2 trillion in the primary markets in 2024, though they were net sellers worth ₹1.25 trillion in the secondary markets.

Bankers added that the pricing of the issues made it attractive to investors at a time when valuation concerns were prevalent in the secondary markets.

"A lot of investors across the board in IPO transactions because the chances of returns are better. And the valuations were reasonable, at least at the IPO stage, though the run-up after listing may have made those stocks expensive," said Munish Aggarwal, managing director and head of equity capital markets at Equirus.

2024 was a historic year for the primary market that witnessed a record number of IPOs, both on the mainboard and in the small and mid-sized enterprise (SME) segment.

Ninety one companies raised ₹1.6 trillion through mainboard IPOs, surpassing the 2021 record of ₹1.2 trillion, and 240 firms raised ₹8,757 crore through the SME platform of the exchanges, which beat the previous all-time high of 182 issues in 2023, which raised ₹4,686 crore.



DEC	Number of IPOs	Amount (₹ cr)
1996	33	932
1997	3	5
1998	2	25
1999	7	175
2000	3	59
2001	1	5.0
2002	0	0.0
2003	2	151
2004	3	164.0
2005	7	1,114
2006	8	6,196
2007	6	1,558
2008	0	0.0
2009	3	3,553
2010	5	1,522
2011	0	0.0
2012	3	5,314
2013	0	0.0
2014	1	350
2015	3	2,593
2016	1	1,331
2017	3	1,224
2018	0	0.0
2019	2	1,246
2020	3	1,651
2021	11	9,534
2022	7	4,156
2023	11	8,339
2024	15	25,425

Source: PRIME Database

Caliber Mining files for ₹600 cr public offering

Coal mining and logistics service provider Caliber Mining and Logistics on Thursday filed its draft red herring prospectus with the market regulator for an initial public offering (IPO) of ₹600 crore. The company is backed by Sunil Singhania's asset management firm Abakus which holds around 3.89 per cent stake through its fund. The IPO is a mix of fresh issue of up to ₹500 crore and an offer for sale of up to ₹100 crore by promoters. The company may consider a pre-IPO placement of up to ₹100 crores. ₹175 crore from the fresh issue proceeds may be utilised for repayment of outstanding borrowings while ₹200 crore will be for capital expenditure.

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