

EMEIA – India market insight

With a robust Q1, IPO market likely to stay bullish in Q2 2021

“We are witnessing high momentum in the Indian capital markets. Significant amount of activity is driven by huge dry powder awaiting investment and companies exploring a listing in India or overseas. The markets continue to reward companies with robust, scalable and technology-led business models.”



Sandip Khetan
EY India IPO Leader

EMEIA – India IPO market insight

Highlights from the market

- ▶ Indian stock exchanges (BSE and NSE including SMEs) ranked ninth in the world in terms of the number of IPOs in year-to-date (YTD) 2021. There were no cross-border deals.
- ▶ In the main markets (i.e., BSE and NSE), there were 17 IPOs in Q1 2021 versus 1 IPO in Q1 2020 and 10 IPOs in Q4 2020. This represents an increase of 1,600% compared to Q1 2020 and an increase of 70% compared to Q4 2020.
- ▶ As regards to SME markets, there were 5 IPOs in Q1 2021 versus 11 and 9 IPOs in Q1 2020 and Q4 2020, respectively, representing a decrease of 55% and 44% as compared to Q1 2020 and Q4 2020 respectively.
- ▶ Consumer products and retail, diversified industrial products and automotive and transportation were the most active sectors (in terms of the number of IPOs) with five IPOs launched each in the former two sectors and four in the latter sector (including main and SME markets). In terms of the issue size, an IPO by Indian Railway Finance Corp Ltd from the banking and capital markets sector was the largest in Q1 2021.
- ▶ The IPO pipeline has over 20 companies that have filed their Draft Red Herring Prospectus (DRHPs) and more than 30 PE-backed companies planning exits.
- ▶ InvITs worth almost US\$5 billion are in the pipeline.
- ▶ SEBI has eased norms for start up companies, minimum public offer and required public shareholdings for large issuers.
- ▶ There are reasons for caution in the near-term, given the slow start to vaccinations in India relative to size of the population, renewed spike in COVID-19 infections with the second wave and threats from new variants of the virus.

YTD 2021 activity

22 IPOs

\$2570.44 m proceeds

Change on
YTD 2020

▲ 83%

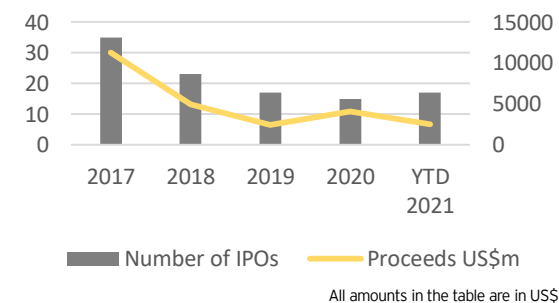
▲ 82%

Main market
\$2558 m
17 IPOs

SME markets
\$12.44 m
5 IPOs

Main market
Q1 2021
\$2558 m
17 IPOs

SME markets
Q1 2021
\$12.44 m
5 IPOs



Activity Q1 2021

Sectors

by number of IPOs

Diversified industrial products
5 IPOs | \$514 m

Consumer products and retail
5 IPOs | \$238 m

Automotive and transportation
4 IPOs | \$159 m

IPOs

largest by proceeds

Indian Railway Finance Corp Ltd
\$634 m Banking and capital markets

Brookfield Indian Real Estate Trust
\$522 m Real estate, hospitality and construction

Kalyan Jewellers India Ltd
\$162 m Consumer products and retail

Indigo Paints Limited
\$160 m Diversified industrial products

All amounts in the table are in US\$

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Market listings (Part A)

New issues: Main market (Q1 2021)

Issue date	Issuer name	Quarter	Sector	Proceeds in US\$m	Name of exchange
29-Jan-21	Indian Railway Finance Corp Ltd	Q1 2021	Banking and capital markets	634.00	NSE and BSE
17-Feb-21	Brookfield India Real Estate Trust	Q1 2021	Real Estate, Hospitality and Construction	522.00	NSE and BSE
26-Mar-21	Kalyan Jewellers India Ltd	Q1 2021	Consumer products and retail	162.00	NSE and BSE
2-Feb-21	Indigo Paints Ltd	Q1 2021	Diversified industrial products	160.00	NSE and BSE
3-Feb-21	Home First Finance Co India Ltd	Q1 2021	Banking and capital markets	158.00	NSE and BSE
26-Feb-21	RailTel Corp of India Ltd	Q1 2021	Telecommunications	114.00	NSE and BSE
25-Mar-21	Craftsman Automation Ltd	Q1 2021	Automotive and transportation	113.00	NSE and BSE
24-Mar-21	Anupam Rasayan India Ltd	Q1 2021	Diversified industrial products	105.00	NSE and BSE
5-Mar-21	Heranba Industries Ltd	Q1 2021	Diversified industrial products	85.00	NSE and BSE
25-Mar-21	Laxmi Organic Industries Ltd	Q1 2021	Diversified industrial products	83.00	NSE and BSE

Market listings (Part B)

New issues: Main market (Q1 2021)

Issue date	Issuer name	Quarter	Sector	Proceeds in US\$m	Name of exchange
16-Mar-21	MTAR Technologies Ltd	Q1 2021	Diversified industrial products	81.00	NSE and BSE
30-Mar-21	Suryoday Small Finance Bank Ltd	Q1 2021	Banking and capital markets	80.00	NSE and BSE
31-Mar-21	Nazara Technologies Ltd	Q1 2021	Technology	80.00	NSE and BSE
19-Mar-21	Easy Trip Planners Ltd	Q1 2021	Prof firms and services	70.00	NSE and BSE
5-Feb-21	Stove Kraft Ltd	Q1 2021	Consumer products and retail	56.00	NSE and BSE
1-Jan-21	Antony Waste Handling Cell Ltd	Q1 2021	Automotive and transportation	41.00	NSE and BSE
26-Feb-21	Nureca Ltd	Q1 2021	Consumer products and retail	14.00	NSE and BSE

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