

SUBSCRIBER COPY NOT FOR SALE

INDIA'S FIRST IPO DEDICATED MAGAZINE

IPO WORLD

"IPO FROM EDUCATION TO EXECUTION"

Vol. 4, September 2025 □ Pages 114 □ www.indiaipo.in ₹ 275

**Comparative Analysis of the
US, China & Indian IPO Markets**

Cover Story

**India's Stock Market
Before and After SEBI**

**A US Tariff Tsunami
Company of the Month**

Renew Power

What's New in Governance



IPO World Highlights

Fourth Edition

September 2025



From Chaos to Confidence : India's Stock Market Before and After SEBI



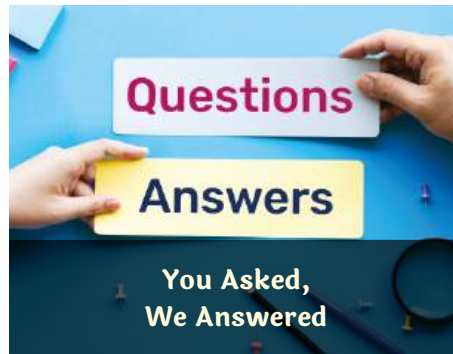
Comparative Analysis of US, China & Indian IPO Markets



A US Tariff Tsunami: How 50% Duties Threaten India's Growth, Exports and Jobs



Preparing for a Green IPO:
Legal, Financial & Brand Readiness



**You Asked,
We Answered**



Myths Busted: Only Big Corporations Can Launch ESG-Driven IPOs" & 4 More



Industrial and Consumer Discretionary Sectors lead the 2025 IPO Charge



Industry Spotlight:
Green Energy & Clean Manufacturing

Top Stories – IPO World



Founder of the Month – Gyanesh Chaudhary

A feature on Vikram Solar’s Managing Director, highlighting his leadership journey and how he is shaping India’s solar energy growth and IPO ambitions.

SEBI Proposes Major Changes in IPO Listing Rules

SEBI is planning to cut retail quota in big IPOs and give more space to institutional investors like mutual funds and insurance companies. It also wants to expand the definition of ‘promoters’ for better governance.

Comparative Analysis of the US, China & Indian IPO Markets

A deep look at how the world’s three biggest IPO markets developed, how they work today and what the future holds. This story compares rules, investors, sectors and fundraising trends across the three countries.

Company of the Month – ReNew Power

A spotlight on ReNew Power, India’s green energy giant, showing how it grew into a leader and why renewable companies are now in focus for IPO investors.

From Chaos to Confidence: India’s Stock Market Before and After SEBI

A historical piece showing how SEBI’s entry transformed India’s stock market from scams and confusion into a more transparent and trusted system.

Mistakes Founders Still Make – Edition 4

A practical guide for startup founders, pointing out common mistakes around timing, compliance and communication that can hurt IPO plans.



FROM THE EDITOR'S DESK

Dear Readers,

Welcome to the fourth edition of IPO World.

Since our last edition, the Indian IPO market has continued to show strong momentum. More companies are coming forward to raise funds, retail investors are participating in greater numbers and global investors are steadily increasing their interest in India. What we are seeing now is not just short-term excitement, but a sign that our markets are becoming more mature and reliable.

One of the most important changes we notice today is the way sustainability and profitability are moving together. Earlier, many believed that focusing on sustainability could come at the cost of financial growth. But now, the opposite is being proven. Companies that adopt good governance, efficient use of resources and responsible business practices are not only winning investor trust but also achieving stronger growth and valuations.

Regulators are also supporting this shift. SEBI's new ESG disclosure rules and the rising importance of green and sustainability-linked instruments are setting higher standards for companies. Sectors such as renewable energy, electric vehicles and sustainable infrastructure are preparing to lead the next wave of IPOs, giving investors a chance to be part of India's future growth story.

At the same time, retail investors are becoming more aware and selective. They are increasingly choosing businesses that are transparent, ethical and well-managed. This change is making Indian markets stronger and giving our country a respected position on the global stage.

With this edition of IPO World, our goal is to provide you with practical, relevant and forward-looking insights. The future of our markets is not only about raising capital—it is about raising confidence and standards. In this journey, profitability and sustainability will go hand in hand, creating value for both companies and investors.

Let's grow and go public—together.

Warm regards,



Ms. Anushka Negi
EDITOR-IN-CHIEF
IPO World Magazine

IPO WORLD

Vol. 4, September - 2025



Editor in Chief

Anushka Negi

Senior Editor

Manoj Maurya

Executive Editors

Piyush Agarwal

Mentor & Advisor

S K Tandon

GRAPHICS

Love Soni

Sujeet Singh

PRINTED BY



Concept & Ownership - India IPO

For Query & Feedback

Tel. 011-47008280

E-mail: info@indiaipo.in

Corporate Address:

807-808, 8th Floor, D-Mall, Netaji
Subhash Place, Pitampura, Delhi-110034

EDITORIAL PANEL



Share Your Feedback

Please scan this QR code to share
your valuable feedback with us.

We appreciate your time.

This Edition's Theme

Sustainability Meets Profitability:

A New Era for Indian Companies



Every edition of IPO World is built around a theme that reflects the changing priorities of India's capital markets. In this edition, we bring focus to the evolving relationship between [sustainability and profitability](#). For a long time, the two were seen as competing goals—companies believed they had to sacrifice one for the other. But the market is now proving that the two can grow together, creating stronger and more resilient businesses.

For Indian companies, this theme is particularly relevant. Global investors are no longer looking only at balance sheets; they are also assessing how businesses manage their environmental and social impact. With SEBI mandating detailed ESG disclosures and with more funds being channelled towards green and sustainability-linked investments, Indian issuers must align themselves with this global shift. Companies that position themselves as transparent, responsible and forward-looking are more likely to attract premium valuations and long-term investor trust.

At IPO World, we remain committed to our flagship [IPO Education Series](#), which continues in this edition with expert insights, practical guidance and case studies. Our objective remains simple—to demystify the IPO process for founders, investors and professionals alike, while also highlighting new trends such as ESG-driven listings. By combining education with analysis, we aim to prepare our readers for a future where raising capital is as much about building credibility as it is about financial performance.



**LATEST UPDATES
&
MARKET TRENDS**

The background image shows a person's hands in a yellow sweater interacting with a tablet. The tablet screen displays a bar chart with glowing lines and numbers. The numbers visible on the screen are 773, 64, 120.9, 57.6, and 23.7. A cup of coffee is on the table next to the tablet.

India's Economic Pulse

Industrial and Consumer Discretionary Sectors Leading the 2025 IPO Charge



The Indian IPO market in 2025 has entered a thrilling new phase, with industrial and consumer discretionary companies stepping into the spotlight. This year, the share market is seeing common manufacturing, infrastructure and consumer-focused firms outshine the usual tech and finance giants, making investors and ordinary people both sit up and take notice.

How the IPO Scene Has Changed in 2025

In earlier years, India's IPO space was mostly ruled by banks, NBFCs and technology firms. 2025 is showing a different story. This year, as of August, the industrial sector saw a record nine IPOs, leading the scoreboard, while the consumer discretionary sector followed closely with seven IPOs.

These numbers tell us that India's real economy- factories, infrastructure, goods manufacturing and day-to-day consumption businesses is leading the primary market for the first time in many years.

Industrial Sector: Riding on India's Growth Ambitions

Industries in India are growing rapidly due to strong government support, infrastructure building and the famous "Make in India" push. Companies from sectors like roads, construction, energy and capital goods are raising money from the public to expand their businesses, upgrade to world-class technology and meet the needs of a surging economy.

For example, Highway Infrastructure became the talk of Dalal Street after its IPO was subscribed more than 300 times and its share

price soared 81% in just the first few days. Quality Power Electrical Equipment, part of the power equipment space, gave a stunning 87% return to IPO investors after listing. Another industrial name, Prostarm Info Systems, focused on energy storage, became a favourite among market-watchers by giving nearly 98% gains.

Auto-components manufacturer Belrise Industries also made a strong debut, reflecting how auto and ancillary businesses are now in high demand thanks to rising vehicle sales and “Atmanirbhar Bharat” goals.

Consumer Discretionary Sector: India’s New Middle Class Speaks Up

Traditionally, companies selling “wants” (like retail, travel, luxury goods, electronics) rather than just “needs” were seen as riskier for IPO investors. But with India’s middle class growing in income and aspirations, this no longer holds true. The IPOs in this sector captured everyone’s imagination.

A perfect example is Aditya Infotech, which supplies advanced tech for industries ranging from healthcare to banking. Its IPO was not only over 100 times subscribed but also returned 58% over the issue price shortly after listing. NSDL (National Securities Depository Ltd), a pillar for retail investors, saw its IPO get subscribed over 41 times and a 50% rally from debut—showing that India’s consumers want reliable services.

Electric vehicle champion Ola Electric Mobility was the “people’s IPO” this year, proving that the future of transport interests even first-time market players. E-commerce star Firstcry and giant Flipkart are set to join the

IPO boom, which means Indian parents and online shoppers are now truly part of the country’s investment story.

Why This Is Happening Now

This sectoral shift is no accident. Government focus on manufacturing incentives (like the PLI scheme), better policy stability and strong rural and urban consumption have all played a part. After the shocks of previous years, companies now see public listing as a way to get not just funds, but also respect and visibility in a market hungry for growth-focused businesses. Interestingly, many tech and finance companies postponed their IPOs, either waiting for the right valuations or due to tough global conditions. This made space for “real economy” businesses—factories, electronics, urban retail—to take the lead.

What’s Next for the IPO Party?

If the current listing pipeline is any indication, this industrial-and-consumer wave is just getting started. Big names like JSW Cement, OYO and lifestyle electronics brand boAt are primed for IPO, signaling an even more diverse set of listings. Companies are not just coming to market for money—they also want to build trust and long-term loyalty from retail Indian investors.



What Does This Mean for Regular Indians?

This boom means that Indian IPOs are no longer the exclusive club of techies and bankers. People see companies they know—highway builders, auto-parts makers, mobile and scooter companies, giant online stores—finally getting their chance to shine on the stock market. As more consumer brands and manufacturers are listed, even first-time investors from small towns feel more confident to invest.

Conclusion

The 2025 IPO story in India is about more than just numbers and stock prices. It marks the coming of age of India's real economy—where factories buzz, people dream bigger and trusted household names dare to go public. For investors, business owners and regular citizens, this is just the beginning of a more balanced, opportunity-filled stock market era.



A US Tariff Tsunami:

How 50% Duties Threaten India's Growth, Exports and Jobs



Introduction

The United States, under President Trump, has recently announced a steep hike in tariffs on Indian exports, raising duties on several goods up to 50%. This bold move comes after months of economic friction, international disagreements over Russian oil and America's shift to protectionist policies. With the deadline for these tariffs looming, the stakes for India's economy and millions of jobs could not be higher. This analysis for IPO World unpacks the details, sectoral impacts and possible responses—using the latest insights from economists, policymakers and industry voices across India.

What Are the New US Tariffs and Why Are They Happening?

The current tariff standoff is about far more than just numbers. The US has initiated two rounds of 25% tariffs, targeting a wide range of Indian products. By the end of August, unless a breakthrough occurs, Indian goods

from diamonds and textiles to leather and chemicals could face 50% duties when entering America. The official US narrative is to “punish” India for maintaining strong economic ties with Russia—especially ongoing oil purchases—but this also echoes Trump's long-standing promises to protect American jobs by curbing imports.

Immediate Impact: Export Sectors in Trouble

The US is India's largest single market for merchandise exports, accounting for about \$86–87 billion in exports in 2024–25. By targeting this flow, the tariffs put roughly \$30–\$35 billion of export value at high risk each year. Already, exporters in key labour-intensive industries—like ready-made garments, cut diamonds, jewellery, leather and marine products—report shrinking orders, delayed payments and buyers seeking alternatives in competing countries such as Vietnam, Bangladesh and Mexico, which benefit from either lower tariffs or preferential trade agreements.

Some major points of sectoral vulnerability:

Sector	US Share of India's Exports (%)	Key States Impacted	Job Dependence	Estimated Impact from US Tariffs
Gems & Jewellery	25	Gujarat, Maharashtra	5 million+	Up to 50% export loss, plant closures
Textiles & Apparel	29	Tamil Nadu, West Bengal	8 million+	Up to 45% export drop, weaker margins
Leather	33	Uttar Pradesh, TN, Punjab	3 million+	Orders shifting to SE Asia, layoffs
Marine Products	45	Andhra, Kerala, Bengal	2.5 million	Shrinking share, contract renegotiation

These are sectors built on “jobful” growth—employing millions in small cities and rural India, providing a springboard for social mobility and urbanisation.

How Big Could the GDP Hit Be?

Multiple agencies have modelled the GDP impact, arriving at a range of 20–50 basis points (bps) loss for 2025–26—roughly ₹45,000–₹1,10,000 Crore in output, depending on the intensity and duration. UBS, Moody's and Kotak Institutional Equities put the figure at \$25–\$35 billion in lost exports, while Goldman Sachs has trimmed India's GDP growth outlook accordingly. If the tariffs

extend into strategic or higher-value sectors over time, the economic damage will be larger and more difficult to reverse.

Employment Crisis: From 'Jobless Growth' to Job Loss

The social dimension is even more alarming. India's “jobless growth” means GDP is rising, but employment generation is weak—especially in the formal, wage-paying sector. Sectors like textiles, jewellery and leather are labour-intensive; a major portion of their workforce is informal, lacking social protection or alternative opportunities. As domestic and export demand drops, layoffs become likely, risking higher youth and women unemployment and deepening rural distress. Research highlights the regressive effect: the poorest and least protected workers are the first to be hit, widening income inequality.





Why India's Export Ambitions Are Threatened

India's recent industrial policy—including Make in India and the drive to become a “China+1” destination—relies on global markets, foreign investment and stronger supply chains. High US tariffs jeopardize this roadmap, as clients shift to nations with lower barriers and India risks missing out on its window of opportunity to integrate into global value chains. Sectors hoping to move up the quality or technology ladder—like smart textiles, value-added leather, or precision engineering—suffer doubly: losing market share and failing to climb the value chain.

Can India Rely on Its Domestic Market?

S&P Global and others offer hope: the size and depth of India's domestic economy mean that the export shock, while sharp, may be relatively contained. US-bound exports are about 2% of total GDP—so even a 20-50 bps hit is a loss of momentum, not a crisis. Resilience will come from robust domestic demand, ongoing infrastructure projects and potential shifts in monetary and fiscal policy.

New Risks for Corporate India

The ripple effects extend to India's financial markets and borrowing landscape. Tighter global liquidity, a rising risk premium and costlier external debt may delay big-ticket projects, squeeze corporate cash flows and make it tougher for new startups or MSMEs to raise funds. If foreign portfolio investment slows or reverses, the rupee could face pressure, raising inflation risk and putting further downward strain on interest rates and capital spending.

How Can India Fight Back? Policy and Industry Responses

The government and industry are already mobilizing. Key strategies include:

- ◆ Aggressive lobbying for US exemptions (especially in “essential” or strategic sectors).
- ◆ Accelerating free trade agreements with the EU, UK and Gulf nations to diversify export markets and reduce exposure to US tariffs.
- ◆ Fast-tracking Export Promotion Capital Goods (EPCG) and Production Linked Incentive (PLI) schemes for vulnerable sectors.
- ◆ MSME digitalisation and investment in automation, brand-building and design upgrades.
- ◆ Improving traceability, ESG compliance and lead times to help Indian products stand out in global markets.

Alongside, Indian officials maintain that the negotiations are ongoing—and mediation before the 21-day deadline could avert a full-on trade war.

Reputational Risks and Investor Sentiment

President Trump's description of India as a "dead economy" was dismissed by many investors as rhetoric but adds to the reputational challenge. Even in the absence of formal policy action, such global sentiment can alter capital flows and prompt investors to reassess India's risk. The outcome? Not just a short-term trade shock, but potentially slower long-term investment inflows if India is seen as losing global leverage or reliability.

Conclusion: Challenge or Turning Point?

The proposed 50% tariffs represent the biggest external threat to India's export machine since the 1991 reforms. While the blow to GDP and jobs is real, the longer-term question is whether India can use this crisis to pivot: speeding up reforms, boosting productivity, climbing the export value ladder and building new trade partnerships. The next few weeks of diplomacy and domestic policy action will determine whether India's growth story bends, stalls, or finds new engines for resilience and renewal.



IPO Round-Up: Recent Highlights

In August 2025, IPO activity in India was very strong. Both mainboard and SME companies came to the market and investors showed good interest, even though listing day gains were not very big in most cases. Big names like JSW Cement, BlueStone Jewellery & Lifestyle and NSDL kept the momentum high, while many SME IPOs also launched, showing good depth in different sectors.

In total, 13 mainboard IPOs raised about ₹15,200 Crore and 28 SME IPOs collected nearly ₹1,345 Crore. This was the best fundraising by SMEs since September 2024, proving that liquidity in the primary market is still strong. Some IPOs gave excellent listing returns, but experts said that higher valuations reduced the average day-one gains. Still, participation from both Indian and foreign investors remained strong.

Overall, August was as busy as July, with around 40 IPOs listed across the mainboard and SME. This clearly shows the continued interest in new listings and the healthy state of India's IPO market.

Company Name	Listed On	Listing Day Gain	Issue Size (₹ Cr)	Board	Business Description
Sawaliya Foods Products Ltd.	Aug 14, 2025	99.50%	34.83	SME	Packaged and processed foods manufacturer
Flysbs Aviation Ltd.	Aug 8, 2025	99.49%	102.53	SME	Regional aviation and air services.
Highway Infrastructure Ltd.	Aug 12, 2025	73%	130	Mainboard	Road EPC and infrastructure services.
Aditya Infotech Ltd.	Aug 5, 2025	60.39%	1,300.59	Mainboard	IT and technology-enabled services.
Sri Lotus Developers & Realty Ltd.	Aug 6, 2025	30.45%	792.21	Mainboard	Real estate development.
Regaal Resources Ltd.	Aug 20, 2025	29.00%	306	Mainboard	Resources and specialty products.
BLT Logistics Ltd.	Aug 11, 2025	27.32%	9.72	Mainboard	Third-party logistics and freight services.

Patel Chem Specialities Ltd.	Aug 1, 2025	24.40%	58.8	SME	Specialty chemicals manufacturer.
Cash Ur Drive Marketing Ltd.	Aug 7, 2025	21%	60.79	SME	Marketing and advertising services provider.
Mehul Colours Ltd.	Aug 6, 2025	19.49%	21.66	SME	Dyes and colorants manufacturing.
Medistep Healthcare Ltd.	Aug 18, 2025	17.09%	16.1	SME	Healthcare services and medical products distribution.
National Securities Depository Ltd. (NSDL)	Aug 6, 2025	17.00%	4,010.95	Mainboard	Central securities depository.
Shanti Gold International Ltd.	Aug 1, 2025	15.27%	360.11	Mainboard	Gold jewellery manufacturing and exports.
Sellowrap Industries Ltd.	Aug 1, 2025	13.86%	30.28	SME	Flexible packaging films and wraps.
Patel Retail Ltd.	Aug 26, 2025	12.82%	451.25	Mainboard	Value supermarket chain.
ANB Metal Cast Ltd.	Aug 18, 2025	10.38%	49.92	SME	Cast metal components and foundry products.
ARC Insulation & Insulators Ltd.	Aug 29, 2025	10.20%	41.19	SME	Electrical insulation materials and insulator products for power equipment.
Parth Electricals & Engineering Ltd.	Aug 11, 2025	7.47%	50	SME	Electrical panels and power equipment engineering.
Vikram Solar Ltd.	Aug 26, 2025	7.35%	410.71	Mainboard	Solar PV modules; EPC and O&M.
Knowledge Realty Trust	Aug 18, 2025	6.24%	4,800	Mainboard	Commercial real estate REIT.
M&B Engineering Ltd.	Aug 6, 2025	6.14%	650	Mainboard	Engineering and construction contractor.

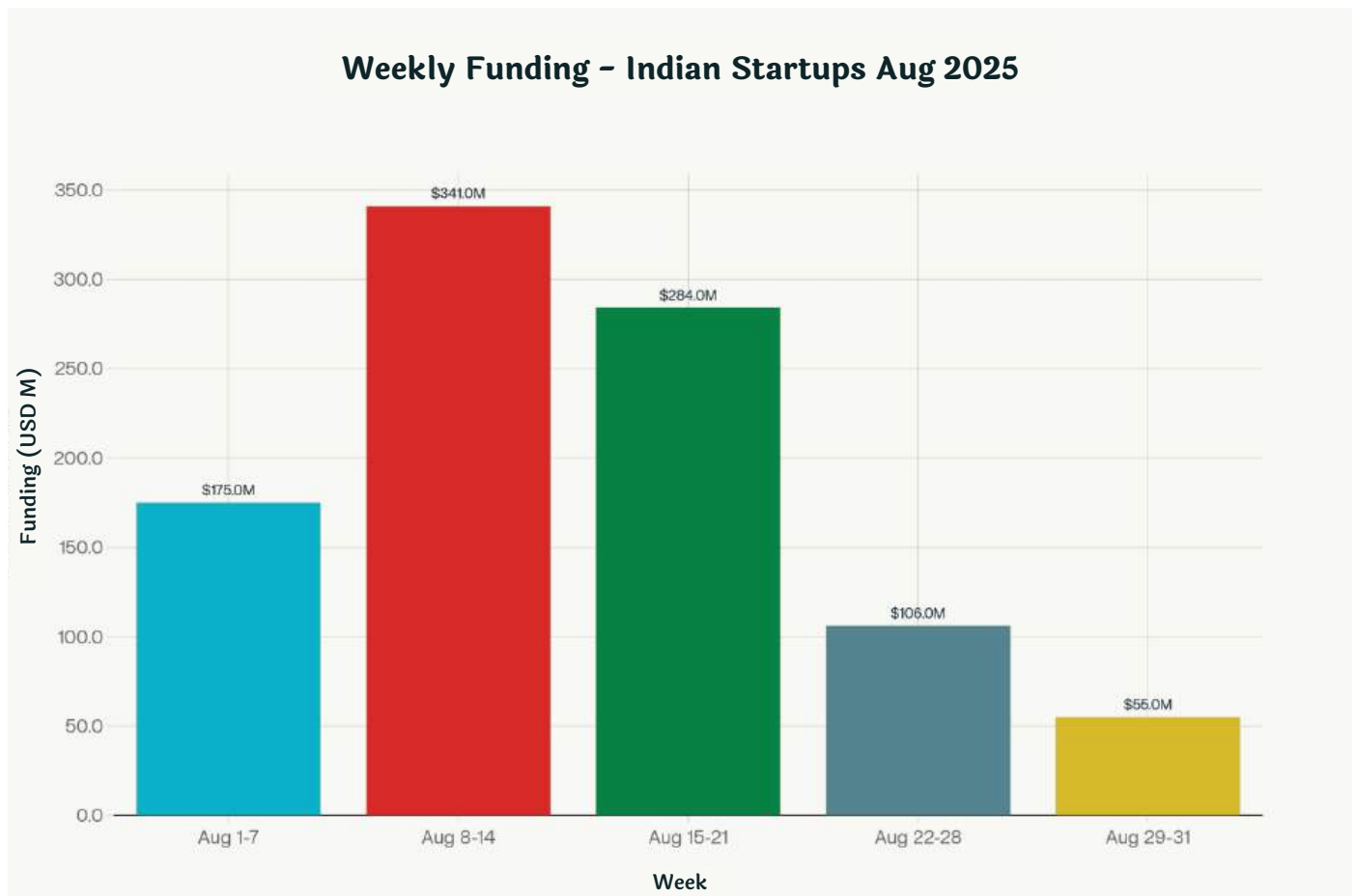
BlueStone Jewellery & Lifestyle Ltd.	Aug 19, 2025	5.61%	58.8	Mainboard	Omni-channel jewellery retail.
Connplex Cinemas Ltd.	Aug 14, 2025	5.59%	60.79	SME	Multiplex and cinema exhibition operator.
Umiya Mobile Ltd.	Aug 4, 2025	4.21%	21.66	SME	Mobile handsets and accessories retail distribution.
Takyon Networks Ltd.	Aug 6, 2025	3.19%	16.1	SME	Networking, IT infrastructure, and services.
All Time Plastics Ltd.	Aug 14, 2025	3.02%	4,010.95	Mainboard	Plastic housewares manufacturer.
Bhadora Industries Ltd.	Aug 11, 2025	2.86%	360.11	SME	Industrial products manufacturing.
Shreeji Shipping Global Ltd.	Aug 26, 2025	1.23%	30.28	Mainboard	Dry-bulk shipping, chartering, and logistics.



India's Startup Funding Pulse: August 2025

In August 2025, \$961 million was raised across 100 deals, underscoring the resilience of India's startup ecosystem. This shows a strong rebound from July's low activity. Growth-stage rounds dominated the funding landscape, along with sectors from fintech to e-commerce to AI and housing finance, showcasing the market's maturation and attracting investor confidence.

Weekly Funding Breakdown



Week 1: August 1 – 7

Indian startups raised \$175 million across 28 deals. D2C brands and sustainability tech attracted the greatest attention, led by:

- ◆ **The Sleep Company** (D2C Mattress): \$56 M Series C
- ◆ **Renee Cosmetics** (Beauty D2C): \$30 M Series C
- ◆ **Core Energy Systems** (Clean Energy): \$24 M growth round

Other notable early-stage investments spanned logistics tech (DPDZero \$7 M) and aerospace (Xovian Aerospace \$2.5 M).

Week 2: August 8 – 14

A surge to \$341 million across 29 deals, driven by three mega-rounds:

- ◆ **Truemeds** (E-pharmacy): \$85 M Series C
- ◆ **Zepto** (Quick Commerce): \$46 M Series G
- ◆ **Darwinbox** (HR Tech): \$40 M growth round
- ◆ **Arintra** (Healthcare AI): \$21 M Series A

Emerging AI startups and fintech platforms also closed significant seed-to-Series A rounds.

Week 3: August 15 – 21

Despite only 15 deals, \$284 million flowed into the ecosystem. Highlights included:

- ◆ **Weaver Services** (Housing Finance): \$170 M growth round
- ◆ **Amnex Technologies** (AI/Tech): \$53 M growth round

- ◆ **R for Rabbit** (Baby Products): \$27 M Series B

- ◆ **Kiwi** (Digital Lending): \$25 M Series B

Solar manufacturing (Goldi Solar \$16 M) and other sectoral bets maintained deal diversity.

Week 4: August 22 – 28

Funding held at \$106 million across 16 deals, with:

- ◆ Smart Kitchen Appliances startup **Beyond Appliances**: \$4 M Series A

- ◆ **House of Biryani** (QSR): early-stage round

Nine early-stage startups raised \$12 M collectively, spanning biotech, wearable devices and AI platforms.

Week 5: August 29 – 31

In the final three days, 12 startups raised \$55 million, underscoring fintech's dominance:

- ◆ **TransBnk** (Banking Infrastructure): \$25 M Series B

- ◆ **Kiwi** (Digital Lending): \$24 M Series B

- ◆ **Altum Credo Home Finance**: \$19.5 M growth round

- ◆ **CredRight** (NBFC): \$10 M expansion funding

- ◆ **WizCommerce** (AI E-commerce): \$8 M Series A

Eighteen early-stage ventures—including Vutto's used two-wheeler marketplace (\$7 M)- raised \$42.3 M collectively, while M&A activity continued with AI automation consolidations.

August 2025 Summary

Week	Funding	Deals	Key Highlights	Leading Sectors
Aug 1–7	\$175 M	28	The Sleep Company, Renee, Core Energ	D2C, Clean Energy
Aug 8–14	\$341 M	29	Truemeds, Zepto, Darwinbox, Arintra	Healthtech, HR Tech, Quick Commerce
Aug 15–21	\$284 M	15	Weaver Services, Amnex, R for Rabbit	Housing Finance, AI
Aug 22–28	\$106 M	16	Smart Kitchen, House of Biryani, Stanza Living	AI, Foodtech
Aug 29–31	\$ 55 M	12	TransBnk, Kiwi, Altum Credo, CredRight, WizCommerce	Fintech, E-commerce

Key Insights & Trends

- ◆ **Total Funding:** \$961 M across 100 deals, reflecting strong recovery and investor conviction.
- ◆ **Sectoral Leadership:** Fintech led with \$314 M (33% share); e-commerce followed with \$196 M (20%); healthtech attracted \$106 M from just 8 deals.
- ◆ **Geographic Breakdown:** Mumbai dominated with \$411 M (43% share); Bengaluru raised \$189 M across 31 deals, highlighting its early-stage density.
- ◆ **Growth vs Early-Stage:** Growth-stage rounds comprised roughly 65% of total funding, underscoring investor preference for proven business models.
- ◆ **Top 10 Deals:** Accounted for \$553 M (57.5% of total), led by Weaver Services (\$170 M) and Truemeds (\$85 M).

◆ **Emerging Themes:** Housing finance's rise, corporate consolidation in AI and strategic bets on digital lending platforms point to diversified growth opportunities.

August 2025 showcased a maturing ecosystem balancing large-scale growth investments with selective early-stage innovation, setting a strong precedent for India's startup trajectory in the remainder of 2025.



What's New in Governance

SEBI's Big Reform: Cutting Retail Quota in Mega IPOs



The Indian stock markets may soon see a big change in the way Initial Public Offerings (IPOs) are shared between investors. Market regulator SEBI (Securities and Exchange Board of India) has floated a proposal that could lower the share reserved for small investors in very large IPOs, especially for large issues exceeding ₹5,000 Crore, while giving more space to big institutions like mutual funds, insurance companies, and foreign investors.

Why This Change?

In the last few years, India has seen bigger and bigger IPOs hitting Dalal Street—some significantly over ₹10,000 Crore. But here's the catch: while IPO sizes kept growing, the number of ordinary retail investors applying did not grow at the same pace.

For example, a ₹5,000-Crore IPO needs around 7–8 lakh retail applications to fill the 35% quota that is reserved for small investors. In tougher or uncertain market conditions,

getting this many people to apply is not easy. If that quota remains under-subscribed, it creates negative headlines, adding pressure on the company and the markets.

SEBI, in its discussion paper, pointed out: “Large IPOs require lakhs of small investors to complete the retail book. If demand doesn't come, the weak response negatively affects investor sentiment.”

Key Proposal:

A Shift in IPO Allocation Norms

Under current rules, companies launching IPOs must allocate 35% of the issue to retail investors, 50% to Qualified Institutional Buyers (QIBs), and 15% to High Net-worth Individuals (HNIs).

SEBI is now proposing a more “balanced, market-driven approach”:

◆ **For IPOs above ₹5,000 Crore:**

* Retail allocation may be cut from 35% to 25%

* QIB allocation could increase from 50% to 60%

* HNIs would continue to receive the remaining 15%

The move, regulators argue, reflects demand realities and recognizes institutions as the natural absorbers of large issues.

Anchors Getting Stronger

SEBI's rethink also extends to the anchor investor category. Traditionally reserved for domestic mutual funds and foreign portfolio investors (FPIs), the anchor book has often set the tone for IPO reception.

Now, SEBI proposes adding life insurance companies and pension funds to this category. These institutions, with their long-term capital and credibility, could serve as stronger demand stabilizers, especially in volatile windows.

Market Context: Why Now?

The timing of this proposal is not random. Global markets have been choppy thanks to conflicts, interest rate shocks, and economic uncertainty. IPO launch windows are becoming smaller and more sensitive to sentiment. Companies want the flexibility to tap the market quickly and without the burden of under-subscription optics.

For regulators, balancing retail enthusiasm with institutional depth is tricky. While India's retail participation has grown exponentially in secondary markets (with over 20 Crore of demat accounts today), primary market activity remains skewed towards marquee issues like LIC or Zomato. Mega IPOs from traditional sectors often struggle to capture the same retail buzz.'

Mixed Reactions

Market experts have welcomed SEBI's move as pragmatic. 'Institutions are better placed to absorb large float sizes; this will reduce the risk of undersubscribed retail books and improve issue confidence,' said a senior investment banker.

However, retail investor associations have expressed concern. Critics argue that reducing the quota might dilute opportunities for individual investors in the big IPOs that define market cycles. 'Retail investors look at flagship IPOs as wealth-creation opportunities. Cutting their share could discourage participation in the long run,' said an industry observer.

The Big Picture: Striking a Balance

At its core, SEBI's proposal is about balancing aspiration with execution. Retail investors bring vibrancy to the IPO market, but large issues require deep capital pools that only institutions can reliably provide.

By revisiting allocation norms, SEBI is attempting to make the issuance process more robust, flexible, and globally competitive —without shutting out retail entirely. The discussion paper is open for feedback, and final guidelines will likely be framed after considering inputs from issuers, investors, and intermediaries.

If implemented, this could mark one of the most significant overhauls in India's IPO framework in over a decade.



Stock Exchanges Expand the Definition of 'Promoters' for IPOs

India's stock exchanges are tightening the screws on corporate governance ahead of listings by taking a broader, more practical view of who should be called a "promoter" in IPO-bound companies. The new stance looks beyond bare shareholding and examines real influence and control — including family ties, board presence and rights under shareholder agreements to decide who must be named a promoter in offer documents.

What's Changing on the Ground

- ◆ Exchanges are flagging anyone with 25% or more shareholding as a potential promoter, since such investors are likely to exercise a degree of control.
- ◆ Founders or persons with 20% stake may be tagged promoters even if they are not on the board or key management and even if they prefer not to use the label.
- ◆ Immediate relatives of a promoter holding board/KMP rights or owning over 10% (directly or via controlled entities) may be treated as promoters.
- ◆ Entities controlled by an existing promoter group with 20%+ equity, persons/legal entities with 25%+ (direct/indirect) and "ultimate individual" owners of unlisted promoter entities can also be classified as promoters.
- ◆ The shift is driven by recent cases where influential founders avoided the promoter tag and even accessed ESOPs meant for employees; the aim now is clearer accountability wherever there is control or significant influence.

In simple words: if someone meaningfully influences how the company is run — not just by votes, but through board sway, contracts, or family networks — they're likely to be pulled into the promoter net.



Why This Matters Before an IPO

Under SEBI's ICDR framework, “promoter” includes anyone named as such in the offer document, anyone who controls the issuer directly or indirectly, or by whose advice or instructions the board is accustomed to act (with a carve-out for professionals acting in that capacity). That label brings responsibilities from disclosures to post-issue lock-ins and ongoing compliance, hence the resistance from some influential stakeholders to being named as promoters.

Lawyers note that “promoter” is a fact-based, case-by-case test; regulators appear to be adding objective thresholds (like 25%) to bring clarity where influence is otherwise subjective. Exchanges, for their part, want to ensure that anyone who can direct the company's affairs is visible to public investors, not sitting in the shadows.

The Regulatory Logic: Influence Over Form

- ◆ Control isn't only about majority shareholding; it can spring from rights to appoint directors, vetoes, special covenants, or the practical reality that the board follows a person's lead.
- ◆ Exchanges are, therefore, going beyond simple percentages to examine influence, including familial connections, board presence and contractual rights, while still using markers like 20% and 25% to anchor decisions.

- ◆ The goal is better governance and accountability as companies tap public money and to avoid gaps where powerful insiders slip regulatory scrutiny by disowning the promoter tag.



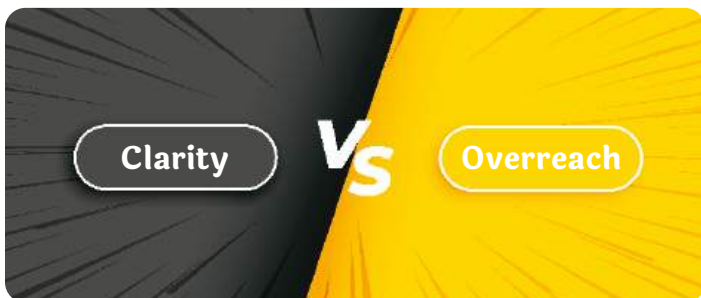
Who Gets Impacted

- ◆ **Founders and co-founders with meaningful stakes or board sway:** Likely to be named promoters even if they sought to avoid the tag.
- ◆ **PE/VC and strategic investors with 25%+ (or strong protective rights):** May be assessed closely for “control” or “significant influence” and thus promoter status.
- ◆ **Family members with board/KMP rights or 10%+ stakes:** Could be pulled into the promoter group definition, tightening related-party visibility.
- ◆ **Unlisted holding entities:** The “ultimate individual” behind such entities may be disclosed as promoter to ensure transparency of control chains.

Practical Implications for IPO-Bound Companies

- ◆ **Early cap table and rights review:** Scrutinise shareholder agreements, nomination rights, vetoes and governance covenants to assess control/influence footprints.
- ◆ **Expect deeper Q&A with exchanges:** Merchant bankers are advising issuers to be ready with a broader promoter list and supporting rationale.
- ◆ **Disclosure and lock-in planning:** Promoters face stricter disclosures and longer/stricter lock-ins than other pre-IPO shareholders; misclassification can cause delays or regulatory pushback.
- ◆ **Communication with key shareholders:** Some investors resist promoter classification due to potential liabilities; align early to avoid last-minute turbulence.

The Debate:



Market practitioners broadly agree the push will lift governance standards and protect public investors, but warn that over-breadth could rope in persons who don't truly control the company. Exchanges appear to be balancing this by combining objective thresholds (20%, 25%, 10%) with a fact-based review of influence, not relying on numbers alone.

Bottom Line

The promoter label in India has always been more than a title — it signals who truly stands behind a company. By widening the lens to include real-world influence, exchanges are making IPO disclosures more honest and investor-friendly. For founders, families and large investors, the message is simple: if there is control or a strong ability to sway the board, prepare to wear the promoter badge — and the responsibilities that come with it.



IPO Performers

Best Performing IPOs of the Month(August 2025)

Company Name	Listed On	Profit/Loss	Issue Size (₹ Cr)	Segment
Flysbs Aviation Ltd.	Aug 8, 2025	187.60%	102.53	SME
Sawaliya Foods Products Ltd.	Aug 14, 2025	111.83%	34.83	SME
Aditya Infotech Ltd.	Aug 5, 2025	86.36%	1,300.59	Mainboard
National Securities Depository Ltd. (NSDL)	Aug 6, 2025	54.77%	4,010.95	Mainboard
Sellowrap Industries Ltd.	Aug 1, 2025	47.23%	30.28	SME
Parth Electricals & Engineering Ltd.	Aug 11, 2025	46.94%	49.72	SME
Highway Infrastructure Ltd.	Aug 12, 2025	35.81%	130	Mainboard
ANB Metal Cast Ltd.	Aug 18, 2025	21.44%	49.92	SME
Sri Lotus Developers & Realty Ltd.	Aug 6, 2025	20.80%	792.21	Mainboard
Umiya Mobile Ltd.	Aug 4, 2025	15.45%	24.88	SME
Mehul Colours Ltd.	Aug 6, 2025	12.56%	21.66	SME
M&B Engineering Ltd.	Aug 6, 2025	12.44%	650	Mainboard
Cash Ur Drive Marketing Ltd.	Aug 7, 2025	12.46%	60.79	SME
Regaal Resources Ltd.	Aug 20, 2025	12.06%	306	Mainboard
Patel Chem Specialities Ltd.	Aug 1, 2025	11.26%	58.8	SME

Top 10 IPOs by Issue Size(August 2025)

Company Name	Issue Size (₹ Cr)	Listed Date	Segment
National Securities Depository Ltd. IPO	4,010.95	Aug 06, 2025	Mainboard
JSW Cement Ltd. IPO	3,600.00	Aug 14, 2025	Mainboard
Vikram Solar Ltd. IPO	2,079.37	Aug 26, 2025	Mainboard
BlueStone Jewellery & Lifestyle Ltd. IPO	1,540.65	Aug 19, 2025	Mainboard
Aditya Infotech Ltd. IPO	1,300.59	Aug 05, 2025	Mainboard
Sri Lotus Developers & Realty Ltd. IPO	792.21	Aug 06, 2025	Mainboard
M&B Engineering Ltd. IPO	650	Aug 06, 2025	Mainboard
Shreeji Shipping Global Ltd. IPO	410.71	Aug 26, 2025	Mainboard
All Time Plastics Ltd. IPO	400.6	Aug 14, 2025	Mainboard
Mangal Electrical Industries Ltd. IPO	400	Aug 28, 2025	Mainboard

Top 10 IPOs by Listing Gains(July 2025)

Company Name	Listed On	Listing Day Gain	Issue Size (₹ Cr)	Segment
Sawaliya Foods Products Ltd.	Aug 14, 2025	99.50%	34.83	SME
Flysbs Aviation Ltd.	Aug 8, 2025	99.49%	102.53	SME
Highway Infrastructure Ltd.	Aug 12, 2025	72.50%	130	Mainboard
Aditya Infotech Ltd.	Aug 5, 2025	60.39%	1,300.59	Mainboard
Sri Lotus Developers & Realty Ltd.	Aug 6, 2025	30.45%	792.21	Mainboard
Regaal Resources Ltd.	Aug 20, 2025	29.00%	306	Mainboard
BLT Logistics Ltd.	Aug 11, 2025	27.32%	9.72	SME
Patel Chem Specialities Ltd.	Aug 1, 2025	24.40%	58.8	SME
Cash Ur Drive Marketing Ltd.	Aug 7, 2025	21.12%	60.79	SME
Mehul Colours Ltd.	Aug 6, 2025	19.49%	21.66	SME

Global IPO Lens

Comparative Analysis of US, China & Indian IPO Markets

An Initial Public Offering (IPO) is a very important moment in the financial world. It occurs when a private company becomes a public company by selling its shares to the general public. Around the world, the US, China and India are the three most powerful IPO markets. Each of them has grown in its way, based on its unique history, government rules, how investors behave and the state of its economy. To understand these markets, it is important to know where they started, how they changed, what they are doing right now and what the future looks like for them. This report gives a very detailed comparison, focusing on the history and the reasons behind how each market developed.



Historical Origins and Development

United States: The Pioneer of Modern IPO Markets

- ◆ **Early Days and First Listings:** The modern IPO market started in the US. Its roots go all the way back to the early days of American finance. In 1792, a group of 24 brokers signed an agreement under a button-wood tree in New York. This agreement was the foundation for the New York Stock Exchange (NYSE). But even before that, a company called the Bank of North America did something similar to an IPO in 1781.
- ◆ **19th and Early 20th Centuries:** Trains, Industries and Growth, The 1800s saw a lot of railway companies go public with IPOs. This helped a lot in building the country's economy. The NYSE became the main place for these offerings. With more industries growing, more capital was needed and securities rules became more formal, though investor protection was still limited back then.
- ◆ **Making Rules After a Big Crash:** The 1929 Wall Street Crash showed how dangerous an unregulated market can be. This led to a big change:
 - * **Securities Act of 1933:** This law said that companies had to register and give all the details about their new stock sales.
 - * **Securities Exchange Act of 1934:** This created the SEC (Securities and Exchange Commission), a government body to watch over the markets.



These new rules brought transparency and protected investors, which helped the market grow a lot after the war.

- ◆ **Post-War Era to the Dot-com Boom:** After World War II, the market grew steadily. In the late 1990s, the "dot-com bubble" happened and there was a huge rush of tech IPOs. In 1999, a record 370 tech companies had IPOs, making the world look at the US as the center of IPO innovation.

China: From a Closed Country to a Global Power

- ◆ **Before Reforms:** No Capital Market (1949–1990), For 40 years after 1949, China had no stock markets because of its socialist economic policies. All the big companies were owned by the government and there was no way for people to invest in them.
- ◆ **The "Dual-track" Opening in the 1980s–90s:** When economic reforms started under Deng Xiaoping, China began a slow, experimental journey into capital markets:
 - * The **Shanghai Stock Exchange** reopened in December 1990.
 - * The **Shenzhen Stock Exchange** launched in July 1991.

At first, these exchanges were very limited, with only a few government-owned companies allowed to list. China was just testing the waters of market capitalism.

◆ **Quota System and Government Control:**

From the 1990s until 2023, China's IPO market was under very strict government control.

* The China Securities Regulatory Commission (CSRC), formed in 1992, decided which companies could list, when and at what price. This was a "quota system" meant to keep the market stable.

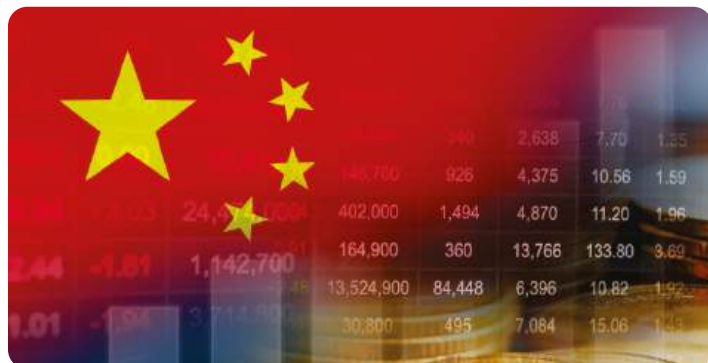
* For a long time, private companies were not allowed to list and IPO pricing did not reflect what the market wanted.

◆ **Gradual Opening and New Tech Exchanges:**

* **2000s:** Private companies, especially in high-tech zones, started to go public.

* **2010s:** China launched the SME Board, ChiNext (for startups) and the STAR Market in 2019 (a board for tech companies, like the Nasdaq in the US). This made it easier for innovative companies to list.

* **2023:** China finally moved to a registration-based IPO system. This meant that the process shifted from needing CSRC approvals to a system based on company disclosures, which is more like international practices.



India: Modernizing Slowly with Economic Reforms

◆ **Before Liberalization:** The Merchant Banker Era, India's first IPOs were in the colonial and post-independence periods. Major IPOs like Reliance Industries in 1977 were big milestones. Before the 1990s, a body called the Controller of Capital Issues (CCI) regulated IPOs, focusing more on control than on making things easy.

◆ **1991 Onwards: Liberalization and SEBI's Rise:**

* **1992:** The Securities and Exchange Board of India (SEBI) became the official regulator. It replaced the CCI and brought in a transparent, disclosure-based system inspired by US standards.

* **1990s:** Major reforms happened, including market-friendly policies, allowing Foreign Institutional Investors (FIIs) to invest and the start of electronic trading platforms like the National Stock Exchange (NSE), founded in 1992.

◆ **21st Century: Modernization, Retail Investors and SME Inclusion:**

* **2000s:** Shares became digital (dematerialization) and settlement times became faster.

* **2010s–2020s:** SEBI introduced rules for IPOs for small and medium-sized enterprises (SMEs), made listing timelines much shorter (from T+6 to T+3 by 2023) and encouraged more retail investors to participate. Digital tools like the Unified Payment Interface (UPI) for IPO applications made it very easy for everyone to apply, leading to huge oversubscriptions in the primary market.

How the Markets Have Evolved and Key Milestones

United States

- ◆ **Innovation and Scale:** The US markets have always been ahead in creating new financial products like options and SPACs. The whole system, with big investment banks, venture capital and institutional investors, has created a great environment for IPOs.
- ◆ **Global Listings:** US exchanges became the go-to place for international companies to list, like Alibaba's massive IPO in 2014 on the NYSE.
- ◆ **Regulatory Adjustments:** After the Enron scandal, the Sarbanes-Oxley Act (2002) was passed. This made companies follow stricter rules, which helped increase trust but also led to a drop in the number of smaller IPOs.

China

- ◆ **Special Economic Zones:** Shenzhen grew into a tech and manufacturing hub, which helped local tech companies and SMEs to list.
- ◆ **“Registration-based” Reform:** Since 2019, the new system, which is based on a company giving all the right information, has made the market more efficient and transparent.
- ◆ **Integration with Hong Kong:** Many Chinese companies are now doing "A+H" listings, which means they list on both a mainland China exchange and in Hong Kong to access both local and international money.

United States China India



India

- ◆ **Focus on Regular People and SMEs:** Government support for small and medium-sized businesses led to special IPO platforms like NSE Emerge and BSE SME.
- ◆ **Digital Innovation:** SEBI encouraged the use of online platforms to get rid of paper-work. This made the process much faster and more efficient and led to many more people participating.
- ◆ **Fast Timelines:** India is now a leader in getting IPOs done quickly. Recent changes have reduced the time from the end of the IPO to the day the shares are listed to just three days (T+3).

IPO Trends and Fundraising (2000-2025)

Number of IPOs and Peak Years

Market	Peak year	IPOs (Peak Year)	Recent (2024)	Historical Lows
US	2021	1,035	225	Early 2000s (post-dot-com)
China	2021	520	130	2000s (quota system)
India	2025*	330	298	2008-12 (GFC/interim)

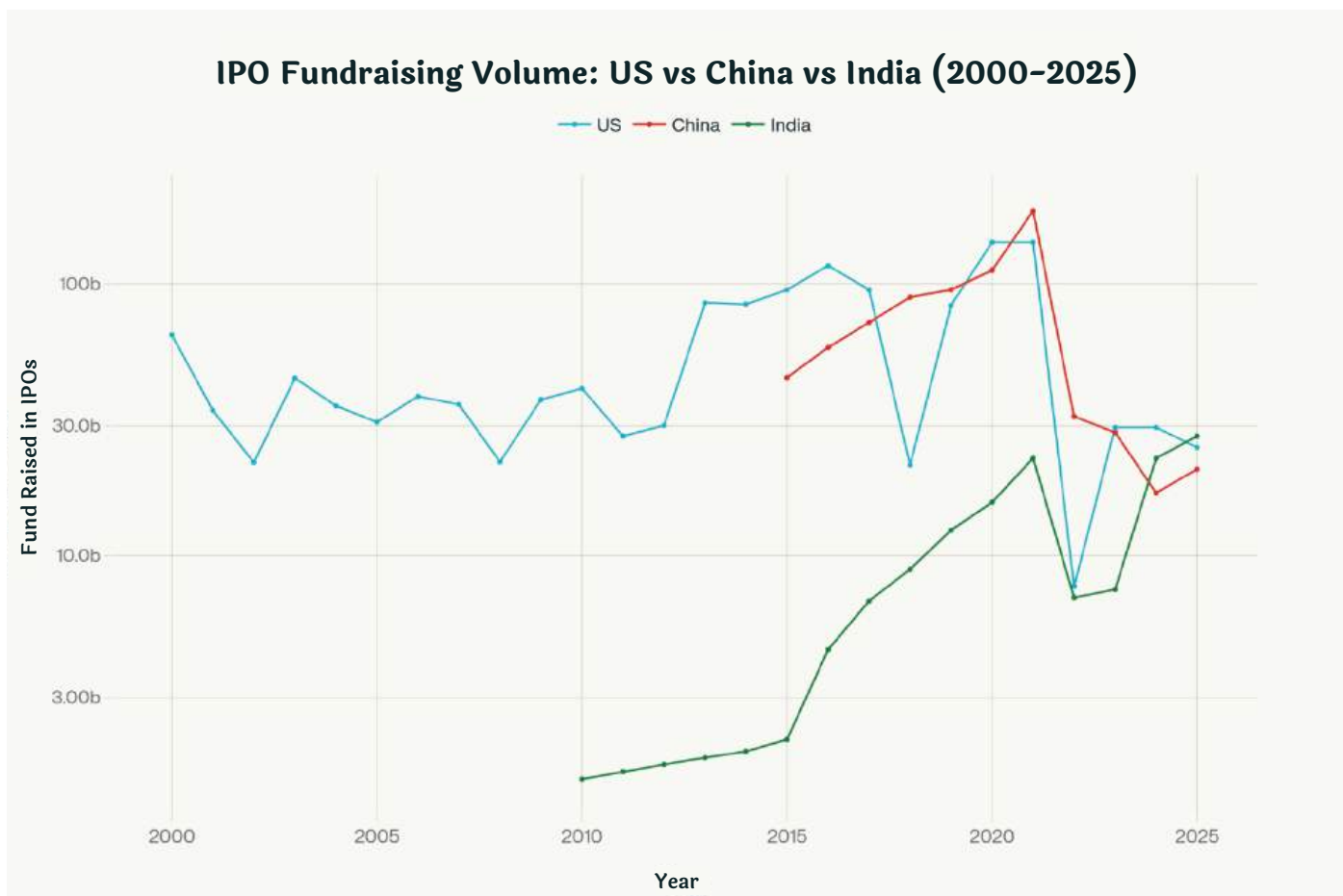
*India's 2025 number is a prediction; the numbers in 2024 are already close to previous records.



Historical comparison of IPO activity across the US, China and Indian markets showing the evolution of listing volumes from 2000-2025.

Money Raised in IPOs (\$ Billions USD)

Year	US	China	India
2019	83.4	95.2	8.9
2020	142.4	112.3	15.7
2021	142.4	185.7	22.8
2022	7.7	32.5	7.0
2023	29.6	28.4	7.5
2024	29.6	17.0	22.8



Comparison of total IPO fundraising volumes across the US, China and Indian markets from 2000-2025 in billions USD.

Key insights:

- ◆ The US market still raises the most money by value, but China and India have been catching up quickly.
- ◆ China's fundraising was at its highest in 2021, but has gone down recently because of new government rules and global uncertainty.
- ◆ India's fundraising has shown a very consistent upward trend, along with more companies and investors joining the market.

Who is Investing?

- ◆ **US:** Big, long-term investors, hedge funds, private equity and large asset managers dominate the IPO market. Regular people's share is still under 10%.
- ◆ **China:** There's a mix of big companies, government funds and a much higher number of individual investors, with their share sometimes being as high as 30%.
- ◆ **India:** Common man participation is exceptional. Recent big IPOs were applied for 35 times more than the shares available to retail investors, which shows how popular the market has become for everyone.



What Kinds of Companies Are Doing IPOs?

The Leading Sectors in Each Region

- ◆ **US:** The main sectors are technology, healthcare, consumer products and finance. Tech IPOs (like Facebook, Uber and Snowflake) are a key feature. In recent years, there has also been a comeback in fintech, biotech and companies focused on sustainability.
- ◆ **China:** The market has recently been dominated by manufacturing and "new economy" sectors like AI, clean energy, semiconductors and digital services. The STAR Market was created to support tech companies that aren't making a profit yet, just like how the US market supports growth-story tech companies.
- ◆ **India:** The market was dominated by industrial companies, consumer products, BFSI (Banking, Financial Services and Insurance) and infrastructure. More recently, digital/tech companies and manufacturing companies have been leading, especially after the "Make in India" campaign.



How the IPO Process is Different in Each Region

Market	US	China	India
Listing System	Based on registering and giving information to the SEC.	Until 2023, it was a government- approved system. Now, it's a registration-based system.	Based on registering and giving information to SEBI.
Settlement Cycle	T+2 (Shares are settled in 2 days)	T+1 to T+2	T+2, but recently moved to T+3.
How to Apply	Through a broker-dealer or directly.	Through a broker or a special 'green channel' in some cases.	Using UPI, digital apps, which is very easy.
Time to List	2 weeks to 2 months.	Weeks to months (old system), 7-14 days (new system).	Historically T+6, now T+3.
SME/Startup Listings	On Nasdaq/NYSE SmallCap.	On the STAR, ChiNext and SME boards.	On NSE Emerge and BSE SME.
Price Discovery	The price is decided by a "book-building" process, where investors say how much they are willing to pay.	Historically, the price was set by the government, but now book-building is allowed.	The price is decided by 'book-building' or can be a fixed price.

Market Performance: Recent Years (2020-2025)

United States

- ◆ The SPAC boom of 2021 broke records, but many of those companies have not performed well since.
- ◆ From 2023-2025, regular IPOs are making a comeback, with a focus on profitable companies with strong business models.
- ◆ Recent big IPOs include Arm Holdings (2023) and Instacart (2023). Biotech listings are also on the rise again.

China

- ◆ 2021 was China's best year, with 520 IPOs and \$185.7 billion raised, mostly on the STAR and ChiNext boards.
- ◆ From 2022-2024, the number of IPOs dropped because of US-China tensions, stricter rules on tech companies and a preference for "real economy" listings.
- ◆ In the first half of 2025, there are signs of recovery, with a new focus on tech and key strategic sectors after the new registration-based system was fully implemented.

India

- ◆ India led the world in the number of IPOs from 2023–2025, with more new listings than both the US and China.
- ◆ In the first half of 2025, \$4.6 billion was raised by 108 IPOs. The NSE is now ranked 4th globally in terms of money raised. Sectors like industrials, consumer goods, IT/digital and healthcare are doing very well.
- ◆ The market has seen a lot of enthusiasm from retail investors and big investors are also getting a larger share.



Current Market Performance (2024–2025)

H1 2025 Performance Metrics

Market	IPOs	Funds Raised (USD Billions)	YoY Growth (IPOs)	YoY Growth (Funds)
US	109	17.2	51%	20%
China	61	10.4	15%	-5%
India	108	4.6	-30%	-2%

The US showed a strong recovery in H1 2025 with 51% growth in IPO numbers. India, despite a 30% decline in volume, maintained its position as the fourth-largest global exchange by fundraising. China continued its gradual recovery following years of regulatory tightening.

How is the Market Behaviour of Each Region?

Economic Cycles

- ◆ **US:** Its markets are very cyclical, which means they go up and down a lot. This is often linked to global money policies and how much risk investors are willing to take.
- ◆ **China:** Its cycles are closely tied to government policies and how much control the government has over money.
- ◆ **India:** Its cycles are increasingly driven by local demand, the growing middle class and new economic reforms.

Liquidity and Depth

- ◆ **US:** The US markets are the deepest in the world, with a lot of money available and advanced tools for investors.
- ◆ **China:** China has a lot of liquidity, but it's more fragmented and still influenced by what the government does.
- ◆ **India:** India's markets are getting deeper very quickly, thanks to a lot of money coming from local mutual funds and insurance companies.

Rules and Governance

- ◆ **US and India:** Both models focus on transparency and protecting the investor.
- ◆ **China:** Its system is slowly changing from being very controlled by the government to being more transparent.

Market Characteristics and Investor Behavior

- ◆ **India's market demonstrates exceptional retail participation**, with average retail oversubscription of 35x in FY25. The country's IPO market benefits from strong domestic institutional support, reducing reliance on foreign investment.
- ◆ **China's market remains heavily regulated**, with continued scrutiny of IPO candidates leading many companies to seek listings in Hong Kong or the US. The registration-based system introduced in 2023 aims to streamline the process, but implementation remains cautious.

- ◆ **The US market focuses on larger, mature companies**, with an average deal size of \$115.7 million in 2025. Private equity and venture capital backing reached 46% of total global IPO proceeds in 2024.

Future Projections and Growth Outlook (2025-2030)

Based on comprehensive market analysis and regulatory developments, the IPO markets are expected to show divergent growth patterns:

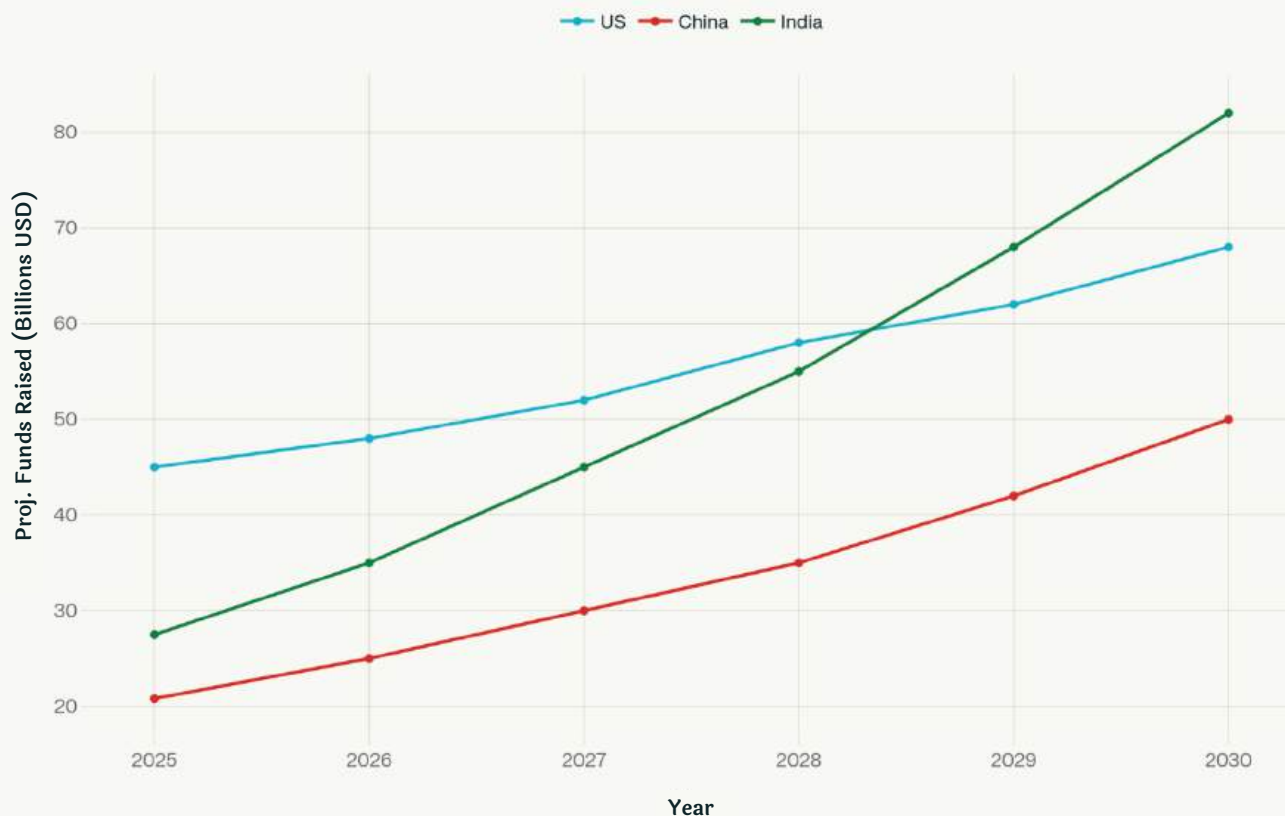
India is expected to grow faster than the US and China in both the number of IPOs and the money raised. This is because of its enthusiastic retail investors, new market rules and a growing economy.

China is expected to get back on track as its new "registration-based" system becomes more effective, especially for high-tech companies.

The US will likely remain the leader in terms of value, particularly for very large and innovative companies.



IPO Market Projections: Fundraising Outlook 2025-2030



Market	2025 IPOs (Predicted)	2025 Money Raised (Predicted in \$B)	2030 IPOs (Predicted)	2030 Money Raised (Predicted in \$B)	Growth Rate (Funds)
US	201	45.0	225	68.0	8.6%
China	125	20.8	200	50.0	19.2%
India	330	27.5	520	82.0	24.4%

India's Emergence as the Future Leader

◆ **India is projected to experience the fastest growth**, with fundraising expected to triple from \$27.5 billion in 2025 to \$82 billion by 2030. This growth is supported by:

◆ **Strong Economic Fundamentals:** India's position as the fastest-growing G-20 economy with projected 6.6-7.2% GDP growth.

- ◆ **Demographic Advantage:** Over 65% of the population is under 35, driving consumption and investment.
- ◆ **Regulatory Support:** SEBI's continued market-friendly reforms and infrastructure development.
- ◆ **Domestic Capital:** Robust domestic institutional and retail investor base, reducing foreign dependency.



Key Opportunities and Risks

Opportunities

- ◆ **India:** A large young population, more people using the internet, new government rules and a lot of money from local investors and regular people.
- ◆ **China:** Government-backed push for innovation, connections with international markets and huge city development.
- ◆ **US:** The largest amount of global funds, a strong pipeline of tech "unicorns," and favorable rules for capital gains.

Risks

- ◆ **US-Chinese tensions:** Hostility between the two countries might limit Chinese tech companies from accessing US money.

- ◆ **Global economic shocks:** Things like inflation, wars, interest rate hikes and supply chain problems can hurt all markets.
- ◆ **Over-regulation:** Too many rules could stop new ideas and innovation, especially in the tech sector.

Conclusion:

A New Global Order for IPOs

The history of IPOs tells the story of how economic power has changed. It was first led by the US, then China joined in the '90s and now India is rising as a new force. Each market's journey is a lesson in government policies, new ideas and adaptation:

- ◆ The US is the pioneer, the innovator and the standard for market size and transparency.
- ◆ China was the fastest latecomer, controlled by the government, but is now becoming a mature market based on new rules.
- ◆ India was once a smaller player, but is now the fastest-growing player. It is known for its enthusiastic regular investors, smart government foresight and a young population with a lot of capital.

As we go through the 2020s, India is set to compete with the US in both the number of IPOs and the money raised, while China is recovering as it adopts global best practices. These three will be the main players in the global IPO markets, pushing the limits of finance and reshaping capital markets—a change driven by data, shaped by policies and made real by millions of new investors from New York to Shanghai to Mumbai.

The image features a silhouette of a man and a woman standing on a mountain peak. The man is on the right, holding a large trophy with both hands, and the woman is on the left, also holding the trophy. Both have their arms raised in celebration. The background is a hazy, mountainous landscape under a soft, golden light, suggesting a sunrise or sunset. The text 'SUCCESS STORIES & LEADERSHIP' is overlaid in the center in a bold, white, sans-serif font.

SUCCESS STORIES
&
LEADERSHIP

Company of the Month

ReNew

India's ESG IPO Leader



In early 2025, ReNew Energy Global reached an important milestone—scoring 71 out of 100 in the S&P Global Corporate Sustainability Assessment, a striking leap from previous years. This placed ReNew in the top 10% of energy companies globally and crowned it the highest-rated pure-play renewable energy firm in India.

This ESG achievement wasn't just a score—it was a statement. Sustainability champion Vaishali Nigam Sinha, Co-Founder & Chairperson – Sustainability, called it “a defining moment,” reinforcing ReNew's credibility in India's energy transition. These words resonate because a 70+ score is rare, reflecting deep operational integrity, governance excellence and investor confidence. It's the kind of recognition that shifts the narrative from energy producer to ESG-standard bearer.

In just over a decade, ReNew has transformed from a wind-solar developer into a full-stack decarbonisation platform—spanning generation, storage, domestic manufacturing, digital energy services and early forays into green hydrogen and carbon markets. Its landmark 2021 SPAC listing on Nasdaq, with an approximate \$8 billion enterprise value

and \$1.2 billion in proceeds, introduced global governance standards and expanded access to green finance.

Today, with a high-teens GW portfolio and pioneering hybrid-storage projects, ReNew stands out as a rare Indian brand that delivers both growth and governance appeal for IPO watchers and public-market investors.

A Major ESG Milestone

ReNew's ESG credentials have reached a pivotal juncture, validated through third-party assessments and corporate disclosures. It is rated Low Risk by Morningstar Sustainalytics, ranked among the top utilities globally; MSCI has upgraded it to AA; and the SBTi has approved its net-zero by 2040 target—ambitious for a scaled utility in an emerging market. These are grounded in a formal ESG policy architecture, featuring board-level oversight and management accountability.

In public markets, these credentials are not just scorecards, but signals: ReNew delivers clean energy with institutional discipline—integrating transparency, risk control and stakeholder outcomes alongside megawatts and tariffs.

Journey from Startup to Leader

Founded in 2011 by Sumant Sinha in Gurugram, ReNew emerged as focused on solar and wind projects. Its journey began with small distributed solar installations and a first wind farm in Gujarat, ultimately growing into India's first GW-scale renewables company.

But this shifted dramatically in February 2023, when ReNew rebranded from ReNew Power to ReNew. This rebranding reflected an expanded vision, embracing digital integration, storage solutions, green hydrogen and carbon markets, transforming from a renewable operator into a decarbonisation solutions provider.

The rebrand represented more than a name change. It marked the evolution of a company confident enough to solve climate challenges comprehensively, not just generate clean energy.

By February 2025, ReNew commanded a gross clean energy portfolio of approximately 17.4 GW—among the largest in India. Operationally, it had 10+ GW commissioned across 150+ projects in ten states, making it a dominant player across India's clean energy landscape.



From the plains of Rajasthan to the coast of Andhra Pradesh, ReNew's projects power industries, communities and the vision of a greener India—this is something called a scale with reach.

The Megaproject: Andhra Pradesh Hybrid Giant

In May 2025, ReNew unveiled a game-changing project: a ₹22,000-Crore (US \$2.5 billion) hybrid solar-wind facility in Andhra Pradesh's Anantapur district.

The project, which is one of India's largest single-site renewable complexes, spans:

- ◆ **Total capacity:** 2.8 GW (1.8 GW solar + 1 GW wind)
- ◆ **Battery storage:** 2 GWh BESS for up to 4 hours of dispatchable power
- ◆ **Phase 1:** 587 MW solar + 250 MW wind + 415 Mwh BESS, with PPAs signed

Foundation stone laid by IT Minister Nara Lokesh, the project aligns with Andhra Pradesh's Clean Energy Policy and India's broader target of 500 GW non-fossil capacity by 2030.

With solar panels sourced from its Jaipur and Dholera manufacturing units, coupled with smart tech like waterless robotic cleaning, the project underscores Make in India, sustainability and innovation all in one.

Economically, it's expected to generate ~1,500 direct and indirect jobs and restore investor confidence in Andhra—post prior retreat due to PPA cancellations—after high-level discussions at Davos.

ReNew's Landmark Nasdaq SPAC Listing

ReNew's public listing was itself revolutionary. In August 2021, it merged with SPAC RMG Acquisition Corporation II and listed on Nasdaq under RNW, marking India's first major SPAC-based overseas IPO in the sector.

The deal, valued at \$8 billion, included multiple marquee investors like Chamath Palihapitiya, Goldman Sachs, CPP Investments, ADIA and JERA. ReNew's ownership stayed robust, retaining ~70% control post-merger.

Funds raised—over \$1.2 billion from PIPE and trust cash—allowed the company to prioritize growth financing and debt reduction without immediate capital needs.

This SPAC route set new standards: it provided global funding access, governance upgrades and positioned ReNew prominently for future strategic investments.

Return Plans:

From Nasdaq to India IPO

In late 2024, a shareholder consortium including Masdar, CPP Investments, ADIA's Platinum Hawk and founder-chairman Sumant Sinha submitted a non-binding proposal to acquire all publicly held shares at \$7.07 per share, initiating a process that could lead to ReNew's Nasdaq delisting; an independent Special Committee advised by Rothschild is evaluating the offer.

In July 2025, the consortium raised the indicated price to \$8 per share—about \$880 million for the remaining stake—strengthening prospects of a go-private transaction, subject to due process and approvals. Parallel media



reports indicate ReNew has engaged advisers and is preparing for a domestic IPO, signalling a potential shift of its public-market base from the US to India, contingent on the Special Committee's recommendation, shareholder vote and regulatory outcomes.

Manufacturing, Storage and Digital: Strategic Leaps

ReNew has leaned into three levers to turn renewables from “injection at will” to ‘supply on command’:

- ◆ **Domestic manufacturing:** Solar cell and module capacity in India reduces supply risk, supports import-substitution policies and improves competitiveness in tenders where domestic content is favoured.
- ◆ **Storage and RTC design:** BESS-backed hybrids and contract structures incentivising peak availability transform intermittency into bankable, dispatchable products for utilities and C&I buyers.
- ◆ **Digital O&M and energy management:** AI-enabled monitoring, predictive maintenance and waterless robotic cleaning drive higher yields, lower water use and tighter lifecycle costs—creating operational alpha.

These capabilities harden the platform against commodity cycles, stabilise cash flows and expand the addressable market from vanilla utility PPAs to sophisticated power solutions that reward reliability and flexibility.

Turning ESG Commitments into Action

ReNew's ESG framework is operationalised through:

- ◆ A three-tier governance structure— board, management and operational layers overseeing environment, social and governance policies.
- ◆ Strong external validations—Sustainalytics Low Risk, MSCI AA, SBTi net-zero and CDP reporting.
- ◆ **On-ground initiatives:** energy generation, eliminating carbon footprints, water stewardship, inclusive safety and diversity programs and community development in education and healthcare.
- ◆ Upstream and downstream sustainability engagement with suppliers—essential in complex global supply chains.

Powering India and Creating Impact

ReNew's annual integrated and sustainability reports chronicle double-digit TWh of clean power generation, supporting millions of household equivalents and avoiding significant CO2 emissions relative to the fossil baseline. The platform has catalysed jobs across construction, O&M, manufacturing and ancillary services, while its flexible products—RTC and peak power—help demonstrate that renewables can shoulder reliability responsibilities when paired with storage and smart design. Transmission linkages and digital operations enhance integration, enabling firm power delivery from intermittent resources across India's grid.

Corporate Governance and Board Diversity

Strong governance undergirds ReNew's public markets appeal. The board includes independent directors and emphasises gender diversity, with committees overseeing strategy, risk and sustainability at the highest level. The ESG policy codifies commitments across transparency, anti-corruption, human rights and responsible sourcing, linking capital access with measurable performance. These practices are not cosmetic; they are critical to maintaining investor confidence in a capital-intensive sector where predictability and risk controls drive the cost of capital and bid competitiveness.

India's Policy and Market Landscape

India's 2030 ambition of 500GW non-fossil capacity necessitates more than just capacity additions; it requires storage scale-up, hybridisation, transmission build-out and robust domestic manufacturing. ReNew's strategy aligns with this playbook: resource-rich sites across states, Make in India-backed manufacturing and products like hybrids and RTC that match evolving procurement preferences of central agencies and states. The Andhra hybrid exemplifies this transition, underscoring state-level appetite for integrated clean power amid policy clarity and renewed investor engagement.

Competition from integrated conglomerates to specialist IPPs remains intense, but ReNew's edge lies in combining capital access, multi-technology execution, storage integration and ESG credibility to win complex, blended bids and deliver over long horizons.

Challenges and How ReNew Responds

Sector risks include policy shifts, DISCOM payment delays, commodity and FX volatility and supply-chain constraints. ReNew's mitigants are a diversified offtake mix (central agencies and select states), capital recycling and sustainable finance vehicles, localisation through manufacturing and selection of projects with stronger contractual protections and reliability premia (RTC, peak, storage-linked). Governance stature and global investor scrutiny further anchor prudent leverage and transparency in a capex-heavy model.

Why ReNew Fits the “ESG IPO Leader” Tag

- ◆ **Scale with substance:** A high-teens-GW platform across wind, solar, hydro and storage, executed through 150+ sites with balanced regional exposure.
- ◆ **Landmark listing:** First major Indian renewable platform to list on Nasdaq via a 2021 SPAC; financing enabled growth and deleveraging while elevating governance standards.
- ◆ **Ratings-backed ESG:** Sustainalytics Low Risk, MSCI AA and SBTi-validated 2040 net-zero plan, embedded through policy and oversight.
- ◆ **Innovation edge:** Hybrids with BESS, RTC products, domestic manufacturing, digital O&M and early moves in green molecules and carbon markets.
- ◆ **Capital markets savvy:** Deep green bond track record, integrated reporting and disciplined allocation; near-term focus on

Special Committee review of go-private proposals and any India IPO pathway.

- ◆ **National impact:** Emissions avoided, water saved, lives impacted via CSR and jobs created across India's energy heartlands.

Final Takeaway

ReNew has always stood out for its ambition –moving from a startup in 2011 to one of the world's largest renewable energy platforms today. But in the decade ahead, ambition alone will not define its place. Accountability will matter just as much. Accountability to its investors, who expect disciplined growth. Accountability to its ESG promises, which require transparency beyond targets. And accountability to India's society, which looks to clean energy for both climate security and economic growth.

The company's expansion into storage, manufacturing and digital technologies shows that it is preparing for a more complex and competitive future. At the same time, a possible India listing would allow it to deepen its roots in the market that matters most.

For ReNew, the real test now is whether it can set the benchmark for what an ESG IPO leader looks like in practice—not just in branding but in measurable outcomes. Its success will help decide not only its future but also how India's energy transition story is told in the capital markets of the world.





Founder of the Month

Gyanesh Chaudhary



On a hot afternoon in Kolkata, surrounded by files, technical blueprints and restless phone calls, Gyanesh Chaudhary often reminds himself why he chose the harder road. He could have stayed comfortably within the family's established business empire, following a proven path. Instead, in 2006, he chose to chase a dream few in India believed in at that time – building a company that runs on the power of the sun.

That bold step gave birth to Vikram Solar, which today stands as one of India's largest solar energy companies, supplying panels across the country and exporting to over 30 nations. What began as an ambitious dream has now become part of India's clean energy journey.

But this success did not come overnight. Gyanesh had to fight many battles – convincing people that solar could be reliable in a coal-dominated country, standing strong against cheap imports from China and preparing his company for the tough scrutiny of investors and regulators before entering the IPO path.

His journey is more than a business story. It is about courage, vision and believing in the future before others could see it. For every founder who dreams of taking their company public, Gyanesh's path shows that an IPO is never the beginning – it is the reward of years of struggle, discipline and staying true to a vision.

Early Life & Inspirations

Gyanesh Chaudhary was born into a well-known business family of Kolkata. The Chaudhary family already had strong roots in industry through the Vikram Group, which was engaged in textiles, engineering and other businesses. Growing up in this environment, business discussions were a natural part of dinner table conversations. Yet, while most expected him to continue the family's traditional path, Gyanesh had different ideas in mind.

After completing his early education in India, he went abroad to study Business Administration at the University of Warwick, UK. It was there that his worldview began to

expand. Living in Europe exposed him to new technologies, environmental awareness and the early rise of renewable energy. Unlike in India at that time, where coal and oil dominated energy thinking, Europe was already moving towards cleaner power solutions.

During this period, Gyanesh realised something important – the future of energy would not depend on fossil fuels forever. He saw how global policies, technology and climate concerns were reshaping energy markets. The thought struck him: “If the world is moving towards solar and renewables, why should India be left behind?”

This early exposure became a turning point. It planted the seed of what would later become Vikram Solar. More than just carrying forward the family name, Gyanesh wanted to create something new, something future-focused and something that could contribute to India’s long-term growth.

The Birth of Vikram Solar

In 2006, while Gyanesh Chaudhary was gaining experience in various family-run ventures—from textiles to engineering—he realised that those businesses were thriving even in his absence. This clarity sparked a deeper desire: to build something fresh, meaningful and future-ready. It was then that the idea of starting a solar business took shape—a vision both bold and ahead of its time.

Gyanesh’s father, Hari Krishna Chaudhary, shared this vision. With the group’s strong legacy in manufacturing and a global outlook, the family saw solar energy as India’s future. In no time, they decided to launch a solar PV module manufacturing facility—the seed of Vikram Solar.

The early days were modest. In 2009, the company began operations with just a 12 MW capacity. Yet this small beginning was deliberate—the focus was on getting quality right from the start. Gyanesh was firm in his belief: “The product we build has to last 25–27 years,” and that required meticulous attention to detail.

Then came a pivotal boost. In 2010, the Jawaharlal Nehru National Solar Mission was launched, setting an agenda for India’s shift to solar power. For Vikram Solar, it was the perfect moment to grow and scale—not just for exports, but to build solar for India’s future too.



Struggles in Building the Company

When Gyanesh Chaudhary founded Vikram Solar in 2006, the solar industry in India was still a fledgling idea. People barely understood solar modules—many would ask, “What do you mean by energy from the sun?” It was a tough task to make them believe in an alternative to coal and oil.

Breakthrough Moments for Vikram Solar

From the beginning, Gyanesh was clear on one thing: quality comes first. He imported top-grade machinery from Germany, the USA, Japan and Switzerland to ensure world-class standards right at the start. But this high-standard, high-cost approach meant pressure to deliver and justify every rupee spent.

In the early years, domestic solar installations were negligible—barely around 10 Mw—so Vikram Solar had to rely heavily on exports to stay afloat. That meant navigating international markets with their trade barriers, client expectations and logistics challenges.

When solar prices began to fall sharply due to cheaper Chinese imports, the pressure intensified. Around FY 2017, Indian manufacturers held just about 10% market share, while Chinese imports dominated at 84%. Gyanesh described the situation bluntly: the domestic sector had become a “graveyard”.

Even policy moves meant to help the industry sometimes backfired. For instance, the government introduced safeguard duties on imported solar cells and modules, but imposed them even on special economic zones, where Vikram Solar operated. That escalated costs by as much as 25%, squeezing manufacturers even further.

Yet, Vikram Solar held its ground. Being vertically integrated, handling manufacturing, engineering, procurement, construction (EPC) and maintenance, helped diversify risks and revenue. And the export-oriented approach cushioned the blow of domestic turbulence.

Through all this, Gyanesh remained steadfast, focused on nurturing stakeholder relationships—vendors, employees, customers and even regulators with a long-term vision in mind.



Gyanesh Chaudhary’s unwavering commitment to quality and innovation finally began paying off in meaningful ways, setting the stage for Vikram Solar to emerge as a game-changer in India’s solar story.

One of their earliest breakthroughs arrived in 2013: Vikram Solar played a key role in solarising the world’s first solar-powered airport at Kochi International Airport. It was a milestone not just for the company, but for renewable energy in India as a whole.

The company didn't stop there. In 2014, they ventured into uncharted terrain by launching India’s first-ever floating solar plant in Kolkata—an innovation that reinforced their readiness to go beyond the ordinary.

Capacity was scaled rapidly, too. By 2017, Vikram Solar had ramped up its manufacturing capability to 1 GW. In that same year, their modules earned recognition as a top performer under DNV-GL testing, a major badge of trust in a fiercely competitive market.

The next phase of transformation came in 2021, when they inaugurated a massive 1.3 GW module manufacturing facility in Oragadam, Tamil Nadu, making them India’s largest solar module manufacturer with a total capacity of 2.5 GW.

By 2024, their production capacity reached 3.5 GW and they were firmly established as a Tier-1 module manufacturer, consistently earning the ‘Top Performer’ title in PVEL’s reliability rankings.

Just this year, in 2025, Vikram Solar secured a headline-grabbing 1 GW supply order from JSW Neo Energy for its advanced Hypersol N-Type TOPCon glass-to-glass modules, designed for large-scale solar installations across Karnataka, Gujarat and Rajasthan. Around the same time, they also won a 150 MW module order from Maharashtra’s MAHAGENCO under the Mukhyamantri Saur Krushi Vahini Yojana, further cementing their leadership in the domestic market.



Why These Moments Matter:

Milestone	Significance
Kochi Airport solarisation & Floating Plant	Established credibility in pioneering, high-impact projects
Capacity Scale from 1 GW to 3.5 GW	Demonstrated rapid growth and economies of scale
Tier-1 & Top Performer Recognition	Built trust among global buyers and investors
2025 Mega Orders (JSW and MAHAGENCO)	Reinforced leadership and future growth trajectory

These milestones mark more than just wins—each one reflects the evolution of Vikram Solar from a niche manufacturer to a national pioneer. For Gyanesh Chaudhary, these are reminders that when vision meets execution, possibilities expand exponentially.

Scaling Up- The Global Push

Once he had established Vikram Solar domestically, Gyanesh Chaudhary’s next move was clear: take the company global. He always believed that ‘Made in India’ solar solutions could stand shoulder to shoulder with the best in the world—if given the right quality and focus.

By 2024, Vikram Solar’s module manufacturing capacity had grown to an impressive 4.5 GW, thanks to a 1 GW boost at the Falta factory in West Bengal and upgrades at Oragadam in Chennai that enabled them to make advanced modules (such as TOPCon and HJT).



The IPO Dream – Early Planning

After years of building a strong solar business anchored in quality, innovation and scale, Gyanesh Chaudhary began to look ahead toward a broader milestone—the Initial Public Offering (IPO). By late 2024, Vikram Solar had taken a significant step forward: it filed its Draft Red Herring Prospectus (DRHP) with the Securities and Exchange Board of India (SEBI). This DRHP outlined plans to raise ₹1,500 Crore through fresh equity, along with an offer-for-sale (OFS) of around 17.45 million promoter shares worth ₹579 Crore.

The purpose? To raise funds for ambitious expansion, particularly through its subsidiary, VSL Green Power. Out of the fresh issue, ₹793 Crore was earmarked to build a massive 3 GW solar cell and module facility, while ₹603 Crore was set aside to augment existing module capacity to 6 GW.

SEBI granted clearance in mid-2025, paving the way for the official IPO. Once regulatory approval was in place, the company moved quickly into implementation mode. On August 18, 2025, Vikram Solar raised around ₹620 Crore from anchor investors, including marquee names like Goldman Sachs, Morgan Stanley, Citigroup and leading mutual funds such as Kotak, Franklin Templeton & UTI.

Armed with anchor backing and regulatory approval, the company officially launched its ₹2,079 Crore IPO on August 19, 2025. The structure included a fresh issue worth ₹1,500 Crore, along with an OFS portion of ₹579 Crore. Shares were offered in the price range of ₹315 to ₹332.

Their reach wasn't limited to Indian shores. By early 2025, Vikram Solar was exporting to over 39 countries, including the U.S., leading European markets like Germany and Belgium and Gulf nations. The company even earned the Top Brand PV India 2025 recognition from EUPD Research during a global expo in Europe—proof that Indian engineering could win applause on the world stage.

However, international expansions came with their hurdles. For example, despite building a U.S. sales office and even considering a joint venture factory in Colorado, tough new tariffs and shifting regulations brought uncertainty. Exports to the U.S. dropped from over 60% of revenue in FY24 to under 1% in FY25.

Still, Gyanesh remained optimistic. He shared that while direct U.S. sales had slowed, the company might explore OEM partnerships to stay connected. Meanwhile, domestic orders were growing, offering handsome margins thanks to India's content-linked incentives.

Looking ahead, Vikram Solar is setting its sights on even bigger goals—planning capacity expansions all the way from 6 GW to 15.5 GW by FY27 and exploring battery and cell manufacturing at home and abroad.

The Road to IPO – Investor Response & Early Market Buzz

By the time the bidding closed on 21 August 2025, Vikram Solar’s IPO had captured significant attention, achieving a total subscription of ~54.6 times. QIBs led the charge, applying 142.8×, followed by NIIIs at 50.9× and retail investors at 7.6×.

The grey market teased high expectations—prices had climbed ₹37–48 above the issue price, suggesting a listing gain of 11–14%. On allotment day (22 August), the GMP held at around 15%, reinforcing upbeat sentiment even before listing.

However, reality usually strikes on debut day—26 August 2025—when Vikram’s shares began trading. On the BSE, the stock opened at ₹340, a modest 2.4% premium over the ₹332 issue price; on NSE, it debuted at ₹338 (about 1.8% up).

Post-debut, investor confidence became strong quickly. Within hours, the share price surged and moved ~9% higher, resulting in trading around 12% above the issue price by the end of the day.

What This Means

Indicator	Insight
Huge subscription	Strong interest from institutions and the public, a sign of deep investor trust
Grey Market Premium	Elevated expectations ahead of listing, though tempered by actual listing
Modest listing debut	Slightly conservative launch, but gains materialized soon after
Early bullish momentum	Reflects growing confidence in business fundamentals and performance

Leadership Philosophy of Gyanesh Chaudhary

At the heart of Vikram Solar’s growth stands Gyanesh Chaudhary, a leader who blends family values with modern business rigor—and who believes that long-term vision trumps short-term gains.

At the heart of Vikram Solar’s growth stands Gyanesh Chaudhary, a leader who blends family values with modern business rigor—and who believes that long-term vision trumps short-term gains.



From Legacy to Visionary Thinking

Growing up in Kolkata, Gyanesh was surrounded by traditional business discussions. Yet he didn’t just inherit the family legacy—he redefined it. His vision wasn’t about keeping the tried-and-true alive; it was about transforming it into solar power, sustainability and future-ready manufacturing.

Quality Over Cost

Right from the early days, Gyanesh insisted on building top-tier solar modules. He invested in high-quality machinery from Germany, Japan, the USA and Switzerland—setting a high bar for product longevity and

reliability, even when time-to-market and margins beckoned. That relentless focus on quality helped Vikram Solar win big projects and build trust.

Calculated Risk-Taking

Venturing into solar when India was still tethered to coal was a bold move. Gyanesh didn't follow the crowd—he created a new path. Whether it was setting up floating solar plants or aiming to become India's largest module maker, every step was calculated, purposeful and forward-looking.

Transparent and Disciplined IPO Approach

His leadership was especially visible during the IPO journey. A thoughtful DRHP, anchor investments from top global and domestic funds and a measured subscription strategy reflected Gyanesh's discipline. He didn't chase hot money—he built credibility. Anchor support totalling ₹621 Crore from stalwarts like Goldman Sachs, Morgan Stanley, Citigroup and major mutual funds speaks volumes.

Empowering the Ecosystem

Gyanesh believes in lifting all stakeholders. He nurtured vendors, employees, regulators, clients with open communication and mutual trust. That helped the company stay resilient, adapt faster and stay grounded even amid trade challenges or sharp competition.

Long-Term Thinking

Just look at where the IPO money is going: a 3 GW cell & module facility and scaling up existing capacity to 6 GW. That's not short-termism—that's future-proofing. His mindset is clear: the IPO isn't an exit—it's a launchpad.

Obstacles & Successes

While the IPO and early trading highlighted market approval, there were meaningful challenges and affirmations along the way:



Obstacles

- ◆ **High expectations vs Reality:** The grandeur shown in GMP (11–15%) didn't fully translate at open, creating initial tempered sentiment.
- ◆ **Valuation premium:** The IPO priced at a P/E multiple (~72×) that tested long-term investor patience—even though expansion justifies optimism.
- ◆ **Supply chain & concentration risks:** Heavy imports and a few key clients continued to pose strategic concerns.

Successes

- ◆ **Oversubscription reaffirmed demand:** A 54× subscription rate signaled widespread faith—including a strong institutional anchor round of Rs 621 Crore.
- ◆ **Post-listing stock rally:** The share price jumped ~9% quickly, showing investor confidence translating into tangible gains.
- ◆ **Market validation for the core strategy:** For early investor Niveshaay, the public marketplace validated the strategic pivot from EPC to module manufacturing + strong export-oriented play.

Lessons for Founders – The IPO World Angle

Vikram Solar's IPO journey is a masterclass for visionary entrepreneurs aiming to go public:

- 1. Root your IPO in long-term fundamentals:**
Gyanesh did not chase short-term gains—he invested in quality, backward integration and global growth pathways.
- 2. Anchor support builds credibility:**
A Rs 620 crore anchor round from marquee institutions helps other investors believe in your story.
- 3. Manage expectations, but deliver:**
Understand market buzz (like GMP), but don't rely on it. Execution post-listing proves intent.
- 4. Accept that supply-chain and client risk won't disappear on listing day—acknowledge it, plan for it and communicate it transparently.**
- 5. IPO is a stepping stone, not an exit:**
Profits and expansions post-listing shape real legacy.



Conclusion & Future Vision

Vikram Solar's stock market storytelling is already reshaping the narrative—initial gains may have been modest, but confidence is rising fast. And for good reason.

With a listing-market cap near ₹13,500 Crore (tripling valuations for early backers), capital raised is now actively fueling further growth. The company is well-positioned to strengthen its 3 GW solar cell & module capacity, expand export reach and deepen its integration to drive margins and self-reliance.

Gyanesh Chaudhary's journey from a bold family legacy pivot to a polished, publicly-listed solar leader embodies the spirit of India's clean energy future—where conviction meets strategy and vision becomes valuation.



STRATEGY & EDUCATION ZONE



Founders' Masterclass

Preparing for a Green IPO: Legal, Financial & Brand Readiness

India is at the center of a renewable revolution. Investors are hungry for sustainable businesses. Governments are backing clean energy. And the capital markets are rewarding companies that promise both growth and responsibility.

But for founders, a Green IPO (listing a sustainability-driven company on the stock exchange) is more than raising funds. It's about earning long-term trust, building credibility and positioning as a market leader in climate-focused industries.

This Masterclass is designed for founders who dream of taking their green company public. Think of it as a three-pillar readiness framework:

1. **Legal Backbone** – Can your company stand regulatory scrutiny?
2. **Financial Discipline** – Do your numbers inspire confidence?
3. **Brand Storytelling** – Does the market believe in your green vision?

1. Legal Readiness – Building a Strong Regulatory Backbone

When a company goes public, its secrets become public too. Every contract, license and regulatory approval is examined with a magnifying glass. For green businesses, this scrutiny is even tighter because the sector is new, government-linked and subsidy-driven.

Case Study: IREDA's IPO

Before IREDA (Indian Renewable Energy Development Agency) went public, it had to showcase not only its financials but also its compliance with environmental guidelines, clean lending practices and ESG norms. Investors wanted reassurance that the company was truly “green” and not just painted green.

When you go public, SEBI and stock exchanges will scrutinize every detail. Founders often underestimate how much groundwork is required.





Founder Tip: Appoint a strong legal counsel early. Fix pending compliance gaps before the IPO filing stage.

2. Financial Readiness – Numbers That Tell a Growth Story

Public investors don't just buy shares — they buy confidence. And confidence comes from numbers that are not just attractive, but also transparent and comparable.

A. Corporate Structuring

- ◆ Convert to a public limited company (if not already).
- ◆ Ensure clean shareholding structure – no hidden side agreements, no unresolved ownership disputes.
- ◆ Check compliance with the Companies Act, 2013 and SEBI (ICDR) Regulations.

B. Licenses & Sustainability Approvals

- ◆ For renewable/green businesses, ensure environmental clearances, power purchase agreements (PPAs) and renewable energy certificates (RECs) are in order.
- ◆ Litigation history must be disclosed. Clean legal track record = higher investor trust.

C. ESG & Green Compliance

- ◆ SEBI now asks for Business Responsibility & Sustainability Reporting (BRSR).
- ◆ Green IPOs attract ESG investors so your disclosures on carbon footprint, energy usage and waste management must be audit-ready.

Case Study: Adani Green Energy

When Adani Green entered the market, investors focused on installed capacity (MW), pipeline of projects and PPAs with state utilities. These metrics gave clarity on long-term cash flows. More than profitability in early years, it was the predictability of revenues that attracted investors.

Public markets run on trust in numbers. For a Green IPO, both growth and sustainability must be reflected in your financial statements.

A. Audit & Clean Books

- ◆ At least 3 years of audited financials (as per SEBI).
- ◆ Ensure consistency in revenue recognition, subsidies and carbon credit income reporting.

B. Debt & Capital Structure

- ◆ **Rationalize debt:** Green investors prefer lower leverage.
- ◆ **Use proceeds wisely:** Investors want to see a clear allocation of IPO funds (expansion, R&D, debt repayment, new capacity).

C. Valuation & Growth Metrics

- ◆ **Highlight sector-specific KPIs:** installed capacity (MW), carbon reduction achieved, cost per unit of green energy and efficiency ratios.
- ◆ Benchmark against listed peers like Adani Green, ReNew Power and Inox Wind.

D. Tax & Incentives

- ◆ Ensure correct treatment of carbon credits, renewable subsidies and government incentives.
- ◆ Any tax disputes must be resolved before DRHP filing.

Founder Tip: Engage an IPO financial advisor merchant banker 18–24 months in advance to align financial reporting with IPO needs.

3. Brand Readiness – Crafting the Green Story

Numbers and compliance get you through SEBI. But it is your story that wins over investors, analysts and media.

Case Study: ReNew Energy Global

When ReNew listed overseas, its pitch was simple but powerful: “We are not just a power company. We are India’s renewable transition partner.” That brand narrative helped position ReNew as more than just a utility — it became a climate leader.

Numbers and compliance are not enough. Founders must win the narrative. A Green IPO is also about brand positioning and investor confidence.

A. Investor Communication

- ◆ **Prepare a clear sustainability story:** not just “we are green,” but how your business creates measurable climate impact.
- ◆ Translate technical terms into investor-friendly language.

B. Reputation & Public Perception

- ◆ Any controversy (environmental violations, governance lapses) can derail IPO trust.
- ◆ Build credibility through third-party certifications, ESG ratings and global partnerships.

C. Media & Market Awareness

- ◆ Use thought leadership, case studies and success stories before IPO launch.
- ◆ Show how your company fits India’s renewable mission (Net Zero by 2070).



D. Employee & Stakeholder Alignment

- ◆ Founders must ensure employees, partners and early investors are aligned with the IPO vision.
- ◆ Cultural alignment with sustainability adds authenticity.

Founder Tip: Think like a listed company before listing. Start quarterly updates, sustainability reports and investor-style presentations early.

4. The Founder's Checklist for a Green IPO

- ◆ Convert to a Public Limited Company.
- ◆ Clean shareholding, legal compliances and ESG approvals.
- ◆ 3 years of audited financials with green metrics.
- ◆ Clear IPO fund utilization plan.

- ◆ Independent directors & strong governance.
- ◆ Sustainability reporting framework in place.
- ◆ Strong brand story climate impact, scalability, investor trust.

Conclusion:

IPO is the Beginning, Not the End

For founders, a Green IPO is not just a fundraising event, but a graduation into the league of companies shaping the future of India's economy.

If your company is legally compliant, financially transparent and brand-ready, the IPO journey becomes smoother. But remember: the real test begins after listing. The real success is not just a high listing, but in sustaining investor confidence quarter after quarter — proving that green business can also mean great business.

As Indian capital markets mature, one thing is certain:

Green founders who prepare deeply will not just raise funds – they will define the future of India's sustainable economy.



From Chaos to Confidence:

India's Stock Market Before and After SEBI



In Brief:

India's stock market has come a long way—from chaotic and scam-ridden days to an organised and trusted investment platform. This journey was not smooth or easy. It was shaped by big scams, system failures and continuous reforms. The Securities and Exchange Board of India (SEBI) played a key role in cleaning up the mess and bringing order to the markets.

Before SEBI (1950s–1980s), stock markets in India were like gambling dens run by a few powerful brokers. There were no proper rules, no transparency and investors had no protection. Scams like the Jaipuria scam and IPO frauds were common. The law existed but was weak and poorly enforced.

The Harshad Mehta scam of 1992 was a turning point. It exposed how fake Bank Receipts (BRs) were used to loot banks and inflate stock prices. The scam forced the government to give SEBI real powers to act as a market regulator.

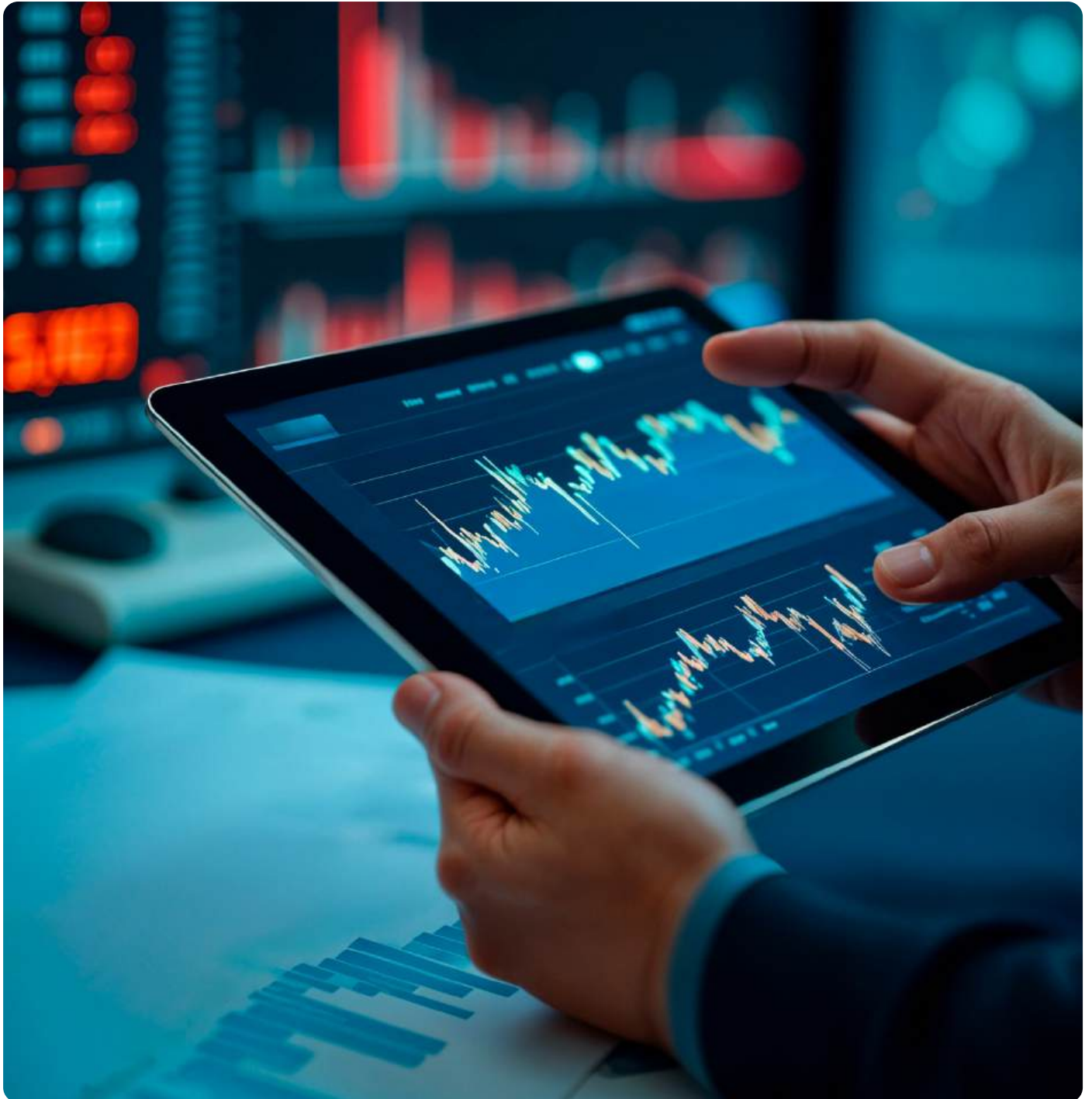
During the 1990s, SEBI introduced many reforms. It removed outdated rules, launched electronic trading through NSE, made it compulsory to hold shares in demat form and introduced corporate governance rules to protect investors. Insider trading was made a punishable offence.

In the 2000s, SEBI focused on strengthening the market further. It regulated derivative trading, reformed mutual funds, simplified foreign investments and acted against new scams like Ketan Parekh's. SEBI also created platforms for small companies to raise capital and introduced investor grievance mechanisms.

As technology changed the way markets operated, SEBI adapted quickly. It regulated algorithmic trading, set cybersecurity norms and kept a close watch on fintech companies offering digital investment services. SEBI became a forward-looking regulator ready to face new challenges.

Going forward, SEBI will have to balance innovation with safety. It needs to regulate new areas like cryptocurrencies and DeFi (Decentralised Finance) while also making sure rural investors are not left behind. SEBI's job is not just to police the market but to build a system that encourages fair and inclusive growth.

This article tells the story of how SEBI helped turn India's markets from chaotic and untrustworthy spaces into respected, investor-friendly platforms. The journey continues, but the strong foundation is already laid.



The Era of Chaos — India's Stock Market Before SEBI

A Market Without a Watchman

It is the late 1970s in Bombay. The markets are alive but not with transparency, instead with murmurs, handshakes and backdoor whispers. A man lights a cigarette as he scans a chalkboard covered in stock prices. He's not looking for trends. He wants a tip--anything, by anyone in "the know". That is how it is in the market here.

There are no terminals.

No mobile applications. No SEBI.

Welcome to the Indian stock market before regulation. The land of opportunity, yes- but also the land of manipulation, speculation and chaos. A bazaar of money, but without a gatekeeper.

“Everyone Knew the Game Was Rigged. But No One Could Stop It.”

However, before the 1970s, let's examine where and how it all began in India.

From Banyan Tree to Stock Exchanges: How It All Started

To understand why there was so much chaos in India's share market before SEBI, we need to look back at its beginnings. It all started in the 1830s, when groups of traders — British businessmen, Parsis and Gujarati merchants — used to gather under a banyan tree near Horniman Circle in Bombay. There were no official offices, no trading platforms — only verbal promises and handshakes to buy and sell shares of railway companies, plantations and banks.



Unlike London or New York, where stock exchanges were created with proper legal approval, India's stock markets grew in a casual and unregulated way. They were full of business enthusiasm but had no legal foundation.

The first big step came in 1875 when the Native Share & Stock Brokers' Association was formed, which later became the Bombay Stock Exchange (BSE). It was Asia's first formal stock exchange, but it was still a private group of brokers who made their own rules.

Later, other cities also started their own exchanges:

- ◆ **Ahmedabad Stock Exchange (1894)** — because of the city's textile industry.
- ◆ **Calcutta Stock Exchange (1908)** — focused on jute, tea and coal.
- ◆ **Madras Stock Exchange (1937)** — for South India's industries.

But all these exchanges worked separately. There was no national-level system, no common rules. Every exchange worked like its own kingdom and brokers were the kings.

The Culture of Speculation and Collusion

From the beginning, India's share markets were more about speculation (guessing) than real investment. There were many "share booms" where stock prices suddenly shot up, often because of global events:

- ◆ During the American Civil War (1861–65), the cotton trade caused a huge price rise in mill shares in Bombay.
- ◆ In the 1920s and 30s, railway and industrial shares became the new craze.

But these booms didn't last long. They usually ended in crashes because the market had no strong base. Behind every boom, there were groups of brokers secretly working together to rig prices, while innocent investors lost their money.

Trading Style: The markets worked on the "open outcry" system. Brokers used to shout prices in crowded trading halls. There were no electronic systems to match orders. Deals were made face-to-face and personal contacts were more important than company performance.



There was very little information available and since exchanges in different cities were not connected, it was easy for manipulators to cheat without anyone noticing.

The Problems in the System

By the mid-1900s, India's share markets had become bigger, but the systems were still old-fashioned and full of loopholes:

Physical Share Certificates: Easy to Fake

All shares were in the form of physical paper certificates, which could easily be stolen, forged, or tampered with. Transferring these shares involved complicated paperwork that could take months. Many times, people found out after months that the shares they bought were fake or didn't even exist.

Settlement Delays: Brokers Misused the Gap

It used to take 30 to 60 days to settle trades (to officially transfer shares after a deal). Brokers took advantage of this delay to play tricks — moving shares between accounts, creating fake demand and manipulating prices before the deal was settled.

Broker Cartels: Market Bosses

Exchanges like BSE were controlled by old broker families. These 'clubs' decided who could trade and how. If you were not part of their inner circle, you had no chance. Price manipulation was common. Brokers would team up and change stock prices as they wished. Small investors had no control and were often fooled.

Laws Were There, But Not Effective

On paper, India had some laws to regulate the market:

- ◆ **Companies Act, 1956** — for company rules.
- ◆ **Securities Contracts (Regulation) Act, 1956 (SCRA)** — for stock exchange rules.
- ◆ **Capital Issues (Control) Act, 1947** — for approving IPOs.

But these laws were either outdated or poorly implemented. There were no clear rules against insider trading (buying or selling shares using secret company information). The SCRA gave some powers to the government but didn't create any independent regulator. The Capital Issues Act could control IPOs but had no control over daily trading in the market.

It was like having a traffic signal in a desert—the law existed, but it had no real impact on the ground.

Brokers Were Kings. Investors Were Pawns.

The BSE building in Mumbai's Fort area became a symbol of India's business dreams. But inside, the market worked very differently from what people imagined. Prices were not based on actual demand but were controlled by insider information and secret deals.

If a company's owner knew about a big contract win, he could quietly buy his company's shares before making the news public. Insider trading was not even considered illegal, because no one had made a law against it. And even if rules existed, there was no one to enforce them.

Retail investors had no choice but to trust their brokers and hope for the best. There was no protection if things went wrong.

A Disaster Waiting to Happen

There were enough warning signs that the system was broken:

- ◆ Companies raised money through IPOs with exaggerated promises.
- ◆ Many IPO booms in the 1980s were scams where company promoters made profits and investors got cheated.
- ◆ Market crashes in 1957, 1961 and scams like Jaipuria's textile stock fraud in the 1960s showed the system's weakness.

But still, the government didn't take serious action. The Finance Ministry made policies but didn't watch over the markets. RBI took care of banks, not stock brokers. Exchanges were self-regulated, meaning brokers controlled themselves.

By the late 1980s, the market was like a ticking time bomb — just waiting for a trigger. That trigger came in the form of a man named Harshad Mehta.



The Calm Before the Storm

India's stock market before SEBI was a strange world — full of big dreams and big scams. People wanted to invest and grow their wealth, but the system was full of loopholes and powerful groups who controlled everything.

A market that runs on trust, without proper rules and structure, is always dangerous. India's stock market was no different.

The 1992 Harshad Mehta scam didn't just shake the market — it broke it. But from that destruction, a new era of regulation, transparency and trust would begin.



Cracks in the System — Scams, Crashes & Warnings

The Market's Shiny Outside, collapsing Inside

By the 1980s, India's stock market looked like it was booming. The economy was slowly opening up, industries were growing and people were excited to invest. Newspapers were filled with stories of companies launching IPOs, share prices doubling overnight and new millionaires being made.

But beneath this success, the market's foundation was weak and hollow. The same old problems continued — insider trading, price manipulation, fake share certificates and powerful broker groups running the show.

Every time a small scam came out, authorities would make loud announcements. But in reality, nothing changed. There was no strong regulatory body to investigate or punish the wrongdoers.



IPO Mania of the 1980s — A Gold Rush of Scams

The 1980s saw a flood of Initial Public Offerings (IPOs). Companies across India started offering shares to the public, promising high returns. Many of these companies were genuine, but a large number were simply fraudulent.

Here's how the scam worked:

1. Promoters would create fancy brochures showing big projects and profits that didn't exist.
2. They would sell shares to the public at high prices, making crores of rupees.
3. After collecting the money, many companies would disappear or shut down.
4. Small investors were left holding useless share certificates.

This period came to be known as the “vanishing companies” era. Thousands of investors lost their hard-earned savings, but there was no authority to recover their money or punish the fraudsters.





Old Laws, New Tricks

Even though some laws existed, clever manipulators always found ways to beat the system. For example:

- ◆ **Insider trading** was not even illegal, so company insiders bought and sold shares based on secret information.
- ◆ **Price rigging** by broker cartels was common. They would buy shares in bulk, artificially increase the price and then sell at a profit before the price crashed.
- ◆ **Settlement delays** of 30–60 days allowed brokers to play price games during the waiting period.

There were no digital records or proper audits. Physical share certificates made it easy to forge documents or fake ownership.

Crashes That Shook Investor Faith

The market faced several mini-crashes in the years before SEBI was born. Some of the major crashes were:

1957 Crash: The Cotton Boom Collapse

Cotton prices crashed globally, causing a chain reaction in Bombay's share markets. Investors panicked and many brokers defaulted on their payments.

1961 Crash: The Industrial Slump

India's over-enthusiasm for industrial shares without proper planning led to a sharp market fall. Again, no regulator was there to handle the crisis.

Jaipuria Scam (the 1960s): Textile Stock Rigging

The Jaipuria group manipulated textile share prices by creating fake demand. Once the bubble burst, small investors faced heavy losses.

Despite these shocks, the government's approach remained passive. The stock exchanges were expected to "self-regulate," which meant brokers were policing themselves — a system doomed to fail.

The Financial Institutions Couldn't Save the Day

Big financial institutions like LIC (Life Insurance Corporation), UTI (Unit Trust of India) and public sector banks were expected to bring stability to the markets. But they were not regulators. They invested in shares and participated in trading, but they didn't have the authority or the tools to stop market fraud.

At times, these institutions themselves got trapped in broker-led scams, losing public money.



The Press and Public Outcry

As scams increased and more people lost money, newspapers and magazines started exposing the shady practices in India's stock markets. Headlines highlighted rigged IPOs, price manipulation by cartels and the helplessness of small investors.

The general public was losing trust. But the government still lacked a powerful body to fix the problem.

A System Waiting for a Collapse

By the late 1980s, all ingredients for a massive market disaster were in place:

- ◆ No real-time market surveillance.
- ◆ Brokers controlling price movements.
- ◆ No punishment for insider trading.
- ◆ Delayed settlements give enough time to rig deals.
- ◆ Physical shares prone to forgery.
- ◆ Investors had no safety net.

It was clear that the Indian stock market was a house of cards. All it needed was a final push.

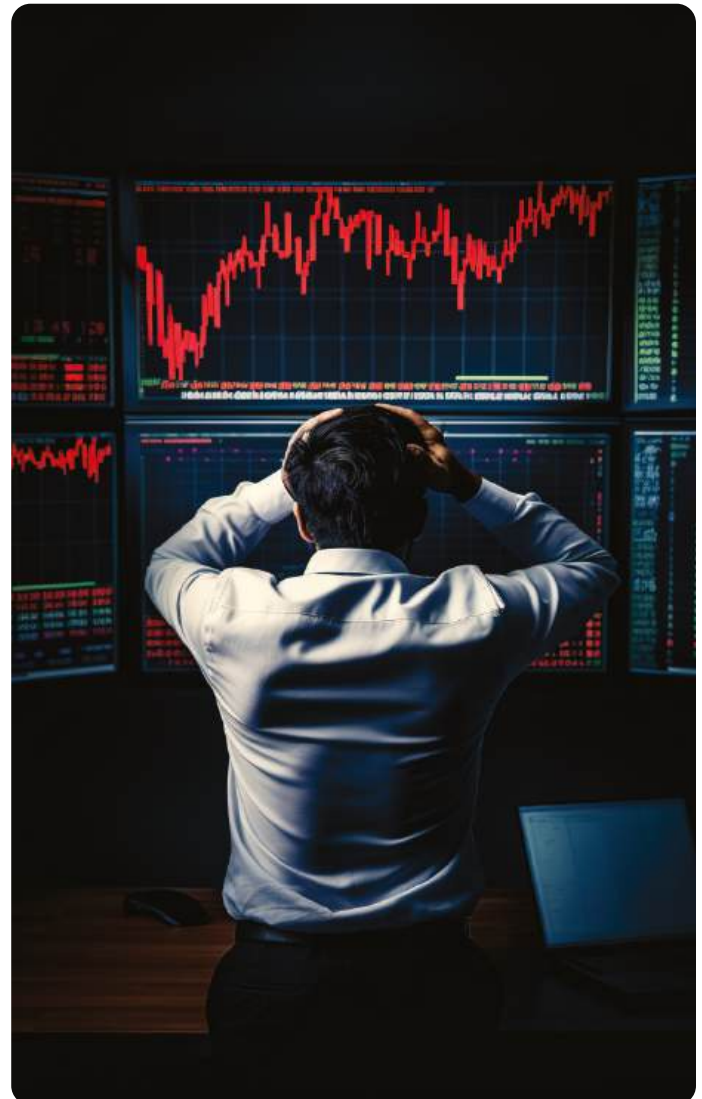
That push came in 1992. A stockbroker named Harshad Mehta found a loophole in the banking system that allowed him to siphon thousands of crores into the stock market. What followed was the biggest financial scam in India's history — a scam so huge that it would finally force the government to act.

The Breaking Point

India's stock market had been ignoring warning signals for decades. Every crash, every scam was a sign that the system was broken. But without a strong regulator, these issues were brushed under the carpet.

The Harshad Mehta scam would change everything. It would not just expose the rot in the system but also shake up India's financial governance forever.

From this crisis, SEBI would be born—not just as a formality, but as a powerful watchdog to guard India's investors and markets.



The Harshad Mehta Scam — India's Financial Earthquake



The Man Who Shook the System

In the early 1990s, one name became very famous in the Indian stock market - Harshad Shantilal Mehta. He was from a middle-class Gujarati family. Before becoming a stockbroker, he worked as a salesman for cement and textile companies. He was not from a rich broker family, but he had big dreams.

By 1992, Harshad Mehta had become the “Big Bull” of Dalal Street (Bombay Stock Exchange). He was not just a trader — he was controlling the whole stock market.

The Sensex, which was around 1,200 in 1990, jumped to 4,500 by March 1992. Stocks of companies like ACC, Sterlite and Videocon increased many times. Middle-class people who never invested before started putting their money into the stock market because of Harshad Mehta.

He became a celebrity. He drove a Lexus car (which was very rare in India then) and lived a luxurious life. He became the face of India's growing economy.

But behind his success, there was a huge scam that would shake the whole financial system.

The Trick with Fake Bank Receipts

Harshad Mehta found a loophole in the banking system. He misused a process called Ready Forward (RF) deals and Bank Receipts (Brs).

This is how it worked:

1. Banks are required to keep some money in government securities (safe investments). But when banks needed short-term cash, they did Ready Forward (RF) deals, which were like short-term loans.
2. Instead of moving the actual securities, banks gave each other Bank Receipts (Brs) — a document that promised the securities existed.

This system worked on trust.

Harshad Mehta used this trust to cheat the system. He asked small banks to give him fake BRs — these papers said the bank had securities, but in reality, there were none.

With these fake BRs, Harshad went to big banks and borrowed crores of rupees. The big banks believed the fake BRs and gave him money.

How He Made Stock Prices Go Up

Harshad Mehta used all the borrowed money to buy shares in the stock market.

He did not buy many different shares. He picked a few companies like ACC, Sterlite and Videocon and started buying their shares in large quantities every day. This made their prices go up very fast.

Seeing this, other investors also started buying these shares, thinking they would earn big profits. Mutual funds and other big investors also followed Harshad Mehta because they didn't want to miss the opportunity.

For example:

- ◆ ACC's share price went from ₹200 to ₹9,000.
- ◆ Sterlite's price went from ₹150 to ₹8,000.
- ◆ Videocon's price went from ₹50 to ₹4,000.

People believed that India's economy was growing fast, but they didn't know that Harshad Mehta was using borrowed money to artificially increase prices.



Fake Trading to Fool the Market

Harshad also created fake trading activity. He bought and sold the same shares through his own contacts again and again. This made it look like a lot of people were trading those shares.

When investors saw this heavy trading, they thought the shares were very valuable and started buying them. This is called circular trading — where no real buyer exists, but the illusion of activity is created.

For a while, Harshad Mehta became a hero. He was on magazine covers and TV shows. People compared him to Warren Buffett.

But soon, his scam would be exposed.

The Truth Got Exposed

On 23rd April 1992, a journalist named Sucheta Dalal wrote an article in The Times of India. She revealed how Harshad Mehta had taken ₹500 Crore from State Bank of India (SBI) using fake Brs.

The news spread like fire. Investors who had invested in Harshad's favorite stocks panicked and started selling. The stock market crashed. The Sensex fell by more than 40% within a few weeks.

The bull market (rising market) created by Harshad collapsed.

Sucheta Dalal journalist

She revealed how Harshad Mehta had taken ₹500 Crore from State Bank of India (SBI) using fake Brs.



What Happened After the Scam?

The scam was so big that it shocked the whole country:

- ◆ Around ₹4,000 Crore was taken out from banks illegally.
- ◆ Small investors lost their entire life savings.
- ◆ Big banks like SBI were left with fake Brs, which were useless.

Investigations showed that many bank officials and brokers were also involved. They had helped Harshad Mehta in the scam.

The Central Bureau of Investigation (CBI) started legal action. Harshad Mehta faced more than 23 criminal cases and 70 civil cases. His properties were seized. But the court cases took many years.

Harshad Mehta died in 2001, but the scam he created changed India's financial world forever.



SEBI Becomes Powerful

Before this scam, SEBI (Securities and Exchange Board of India) existed, but it had no power. It was just an advisory body.

But after the scam, public anger was very high. The government had no choice but to give SEBI full authority to control the stock market.

In 1992, SEBI got statutory powers. Now, SEBI could:

- ◆ Monitor and control brokers, mutual funds and exchanges.
- ◆ Investigate insider trading and price manipulation.
- ◆ Punish people who broke the rules.
- ◆ Make sure companies and brokers give correct information to investors.

SEBI became an independent watchdog of the stock market.

The Scam That Forced India to Change

The Harshad Mehta scam was a disaster for many people, but it forced India to fix its broken system. For the first time, India realized that the stock market needed strict rules and a strong regulator to protect investors.

SEBI's new powers after 1992 started a new journey for India's capital markets. Slowly, transparency and fairness became important. The days of brokers controlling the system without any checks were over.

The Turning Point

The Harshad Mehta scam was not just a crime — it was a turning point in India's financial history. It exposed all the weaknesses of the system and forced the country to rebuild trust in the markets.

The next chapter would be about how SEBI began cleaning up the mess and making India's markets safe and strong.

SEBI's First Steps – Cleaning Up India's Stock Market (1992–2000)

SEBI Becomes the Watchman of the Market

After the Harshad Mehta scam in 1992, it became very clear that India's stock market needed a strong watchman — someone who could keep an eye on brokers, companies and investors. That watchman became SEBI (Securities and Exchange Board of India).

SEBI was already formed in 1988, but at that time, it had no real power. It was like a traffic police without a whistle. It could give advice, but it couldn't punish anyone.

The Harshad Mehta scam changed everything. In April 1992, the government passed a law — the SEBI Act, 1992 — and gave SEBI full powers to regulate the stock market.

From now on, SEBI became the guardian of investors and the policeman of the market.

SEBI's Early Duties - What Did SEBI Start Doing?

After getting powers in 1992, SEBI focused on a few important things:

1. Registering Brokers and Merchant Bankers:

- ◆ Earlier, anyone could become a broker by just paying membership fees to the exchange.
- ◆ SEBI made it compulsory for all brokers, sub-brokers and merchant bankers to register with SEBI and follow strict rules.
- ◆ SEBI also checked the financial background of these brokers to avoid fraudsters.

2. Stopping Insider Trading:

- ◆ SEBI created rules to stop insider trading (when company insiders buy/sell shares using secret information).



- ◆ Now, insiders had to disclose their shareholding and were banned from trading before big company news.

3. Regulating Mutual Funds:

- ◆ Mutual funds became very popular in the 1990s.
- ◆ SEBI made rules to protect investors from fake mutual fund schemes.
- ◆ It made sure mutual funds clearly told investors where their money was being invested.

4. Supervising IPO Process:

- ◆ SEBI started controlling how companies could issue new shares (IPO).
- ◆ Companies had to give true information in their prospectus (offer document).
- ◆ SEBI checked whether the company's financials were correct before approving its IPO.

5. Monitoring Stock Exchanges:

- ◆ Stock Exchanges like BSE and NSE had to follow SEBI's guidelines.
- ◆ SEBI began checking trading activities, settlement processes and the working of exchanges regularly.

Important Reforms Between 1992 to 2000

SEBI took many big steps during this period to clean up the system:

1. The End of Badla System (Carry Forward Trading):

- ◆ The Badla system allowed traders to carry forward their trades for weeks or months without taking delivery of shares.

- ◆ It was risky and allowed price rigging.
- ◆ SEBI banned Badla trading in 1993, though it returned with modifications later, but finally ended with the introduction of derivatives.



2. Introduction of Screen-Based Trading:

- ◆ Earlier, trading was done through open outcry — brokers shouting prices on the exchange floor.
- ◆ SEBI encouraged NSE (National Stock Exchange) to start screen-based electronic trading in 1994.
- ◆ This made trading faster, transparent and reduced price manipulation.

3. Formation of Depositories (Demat Accounts):

- ◆ Physical share certificates were a major problem — they could be forged, lost, or delayed.
- ◆ In 1996, SEBI introduced Dematerialisation (Demat) — shares were now stored electronically in accounts.
- ◆ NSDL (National Securities Depository Limited) was set up, later followed by CDSL.
- ◆ This reduced fraud and made share transfers quick and safe.

4. Compulsory Settlement Cycle:

- ◆ SEBI introduced a rolling settlement cycle – trades had to be settled within a fixed number of days.
- ◆ It started with T+5 (trade plus 5 days) in 2001, which eventually came down to T+2.
- ◆ This stopped brokers from misusing settlement delays for scams.

5. Stronger Disclosure Norms:

- ◆ SEBI made it compulsory for companies to disclose all important information – financial results, material events, shareholding patterns, etc.
- ◆ Companies had to follow strict accounting standards and corporate governance norms.

SEBI's Fight Against New Scams

Even after the Harshad Mehta case, market manipulators kept trying new tricks. SEBI had to stay alert:

- ◆ In 1995, there was a scam involving brokers Ketan Parekh and others, manipulating share prices.
- ◆ SEBI investigated such cases, imposed fines and tightened its surveillance.

SEBI also started working with stock exchanges, CBI, RBI and the Ministry of Finance to catch fraudsters faster.



SEBI's Challenges in the Early Years

In the 1990s, SEBI faced many difficulties:

- ◆ The market ecosystem was not fully digital.
- ◆ Many brokers and exchanges resisted SEBI's rules.
- ◆ Legal cases and appeals slowed down SEBI's punishments.
- ◆ SEBI's resources (manpower and technology) were limited in the beginning.

But SEBI kept pushing reforms step by step. It was determined to clean up the system.

Building Investor Confidence

SEBI also started investor awareness programs:

- ◆ Workshops, seminars and newspaper ads explained investor rights.
- ◆ SEBI launched a helpline where investors could lodge complaints.
- ◆ It also made it mandatory for companies and brokers to have grievance redressal mechanisms.

All these efforts helped in slowly rebuilding trust among small investors.

The Foundation for a New Market

By the year 2000, SEBI had laid the foundation for a more transparent, modern and investor-friendly market.

- ◆ Digital trading had replaced shouting in trading pits.
- ◆ Fake share certificates became a thing of the past with Demat.

- ◆ IPO scams were harder to pull off due to stricter disclosure rules.
- ◆ Market fraudsters knew SEBI was watching.

SEBI's first eight years were about cleaning up the mess left behind by decades of unregulated markets.

But the real test of SEBI's strength would come in the early 2000s, with the next big stock market scams and the globalisation of Indian markets.

SEBI Lays the Groundwork for a Safer Market

Between 1992 and 2000, SEBI transformed from a powerless body into a strong regulator. It created rules, cleaned up practices and brought digital reforms. Though challenges remained, SEBI had started the journey of turning India's stock market into a place of transparency, fairness and investor protection.



New Age Scams and SEBI's Tough Stand (2000–2010)



Ketan Parekh Scam — The New “Big Bull”

In the early 2000s, the Indian stock market was again in trouble. This time, it was Ketan Parekh, a stockbroker from Mumbai, who was at the centre of a big scam.

Ketan Parekh had worked under Harshad Mehta and had learned how to use bank funds to manipulate share prices. But he was smarter in using new tricks.

He created a list of favourite stocks, which people called the K-10 stocks. These were companies in sectors like software, media and telecom, which were popular during the dot-com boom.

Ketan Parekh borrowed large sums of money from banks like Madhavpura Mercantile Co-operative Bank (MMCB) and used that money to buy shares in bulk, making their prices rise artificially. He also made arrangements with company promoters to push their stock prices in return for commissions.

The Scam Unfolds

Ketan Parekh's scam grew bigger and bigger as he used circular trading, insider deals and bank fraud. He used his contacts in various regional stock exchanges, like the Calcutta Stock Exchange, to rig prices.

But in March 2001, after the Union Budget was announced, the stock market crashed. Ketan Parekh couldn't hold the prices anymore. MNCB couldn't recover its funds from him. The scam, which was worth ₹1,200 Crore, came out in the open.

This scam shook investors' confidence once again.

SEBI's Actions Against Ketan Parekh

SEBI immediately started an investigation:

- ◆ It banned Ketan Parekh from trading.
- ◆ SEBI also cracked down on brokers and promoters who were part of the scam.
- ◆ MNCB was shut down and depositors faced heavy losses.
- ◆ SEBI tightened rules for cooperative banks giving money to stockbrokers.

SEBI's handling of the Ketan Parekh scam showed that it was now ready to take strict actions, unlike in the past.



Introduction of Tighter Surveillance Mechanisms

Learning from these scams, SEBI focused on improving market surveillance:

1. Automated Online Surveillance System (AOSS):

- ◆ SEBI introduced technology to track unusual trading activities in real-time.
- ◆ The system could detect sudden price rises, circular trades and insider trading patterns.

2. Straight Through Processing (STP):

- ◆ SEBI made trade settlements faster and automated.
- ◆ This reduced the time brokers had to misuse funds between trades.

3. T+2 Settlement Cycle:

- ◆ SEBI introduced T+2 settlement, meaning trades had to be settled within 2 days.
- ◆ This reduced the risk of price manipulation during long settlement periods.

New Guidelines for IPOs and Book Building

In the early 2000s, Initial Public Offerings (IPOs) became very popular again. SEBI noticed that many companies were misusing IPOs to cheat investors.

To fix this, SEBI made the following changes:

- ◆ **Book Building Process:** SEBI made it compulsory for companies to follow a transparent book-building process for IPO pricing.
- ◆ **Mandatory Disclosures:** Companies had to provide detailed financial data, promoter background and risks involved.

- ◆ **Grading of IPOs:** SEBI introduced IPO grading by credit rating agencies to help investors understand the quality of the company.

These reforms brought more clarity and fairness to the IPO market.

Clamping Down on Insider Trading and Corporate Frauds

SEBI also strengthened its rules against insider trading:

- ◆ It made it compulsory for companies to disclose any price-sensitive information to the stock exchanges first, before sharing it with anyone else.
- ◆ SEBI took strict action against companies that tried to hide bad news or misled investors with false promises.

One major example was the DSQ Software case, where SEBI found that the company had issued shares to select groups without informing other shareholders.



SEBI's Battle with the Sahara Group



One of SEBI's biggest battles during this time was with the Sahara Group.

- ◆ Sahara had raised thousands of Crores through Optionally Fully Convertible Debentures (OFCDs), claiming these were private placements.
- ◆ SEBI found that Sahara had collected money from lakhs of small investors without following public issue norms.
- ◆ SEBI ordered Sahara to refund the money to investors with interest.
- ◆ This case dragged on for years but showed SEBI's determination to fight even the biggest business groups.

SEBI's Focus on Investor Education and Protection

During 2000-2010, SEBI also worked on making investors more aware:

- ◆ It launched 'SEBI Complaints Redress System (SCORES)', an online platform where investors could file complaints.
- ◆ SEBI conducted investor education programs across the country, teaching people how to read offer documents, avoid fraud and understand their rights.

- ◆ SEBI also made it mandatory for companies and intermediaries to have investor grievance cells.

SEBI's Growing International Reputation

By the end of the decade, SEBI was recognized globally as a strong market regulator:

- ◆ It became a member of the International Organization of Securities Commissions (IOSCO).
- ◆ SEBI's practices were appreciated for their focus on investor protection, technology adoption and transparent regulations.

India's stock market was no longer seen as a "wild west". SEBI had started creating a more level playing field where investors could trust the system.



SEBI Proves Its Mettle

Between 2000 and 2010, SEBI faced new scams, new tricks by fraudsters and challenges of a fast-growing market. But SEBI showed that it was no longer a weak body. It took strong actions against manipulators, made big reforms in IPOs and trading systems and built trust among small investors.

The next decade would see SEBI stepping up further as India's markets became bigger, global and more complex.

SEBI in the Age of Globalisation – Reforms, Technology and Modern Challenges (2010–2025)



The Indian Market Becomes Global

After 2010, India's stock market started growing very fast. Foreign investors were bringing in big money. Indian companies were getting listed not just in India, but also in international markets.

With the growth of global investments, India's financial system became part of the global economy. This brought new opportunities but also bigger risks. Frauds became more complex, money moved faster and global economic events started affecting Indian markets.

SEBI had to keep pace with these changes. It was no longer enough to just control local brokers or watch Indian companies. SEBI had to build systems that matched global standards of regulation.

SEBI's Focus on Technology and Automation

SEBI understood that old manual ways of surveillance were not enough. The market had become fast and fraudsters were using advanced technology. So, SEBI decided to fight technology with better technology.

Key steps SEBI took:

1. Integrated Market Surveillance System (IMSS):

- ◆ A real-time software system that monitored trading activities across exchanges.

- ◆ It could track unusual price movements, insider trading patterns and circular trades instantly.

2. Data Warehousing and Business Intelligence System (DWBIS):

- ◆ SEBI created a big data warehouse where all trade data was stored.
- ◆ Using advanced analytics, SEBI could detect long-term fraud patterns.

3. Automation of Regulatory Processes:

- ◆ SEBI made registration, licensing and compliance filings for brokers and companies fully online.

- ◆ This reduced delays, paperwork and corruption.

4. Blockchain and AI Trials:

- ◆ SEBI started pilot projects to explore how technologies like Blockchain and Artificial Intelligence could help in tracking complex fraud and improving market transparency.

New Regulations for a New Era

Between 2010 and 2025, SEBI introduced several important reforms to handle new-age market challenges:

1. Listing Obligations and Disclosure Requirements (LODR) Regulations:

- ◆ SEBI made strict rules for companies listed on stock exchanges.
- ◆ Companies had to disclose important information immediately.
- ◆ Corporate governance rules were made stronger, including rules for independent directors, audit committees and shareholder rights.

2. Tightening Rules on Insider Trading:

- ◆ SEBI updated its insider trading rules in 2015.
- ◆ Employees, directors, auditors and connected persons were brought under stricter monitoring.
- ◆ Companies had to maintain a digital record of insiders and their trades.



3. Mutual Fund Reforms:

- ◆ SEBI introduced a system of categorisation of mutual fund schemes to avoid confusion among investors.
- ◆ It also made expense ratios (fees charged by mutual funds) more transparent.
- ◆ Direct plans and regular plans had to be mentioned for investors to choose.

4. Algo Trading Regulations:

- ◆ With the rise of Algorithmic (Algo) Trading, SEBI made rules to ensure fairness.
- ◆ SEBI mandated audit trails for algo trades and introduced systems to reduce misuse of high-frequency trading.

Fighting New Scams and Frauds

Even in the globalised era, market fraud has not stopped. SEBI had to deal with cases like:

- ◆ **Sahara Refund Case:** SEBI continued its long battle with the Sahara Group to refund investors' money collected through illegal means.
- ◆ **NSEL Scam (2013):** SEBI worked with other agencies to investigate the ₹5,600 Crore payment default in the National Spot Exchange Limited (NSEL).
- ◆ **Karvy Stock Broking Scam (2019):** SEBI acted against Karvy for misusing clients' securities to raise loans.
- ◆ SEBI imposed strict penalties on insider trading cases involving company executives and fund managers.

SEBI also made Forensic Audits a regular practice to investigate suspicious companies and market activities.

SEBI's Role in Major Market Reforms

Apart from fighting fraud, SEBI played a big role in structural reforms:

- ◆ **Introduction of REITs and InvITs (2014):** SEBI introduced Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) to boost investments in these sectors.
- ◆ **Small and Medium Enterprises (SME) Platform:** SEBI helped launch SME listing platforms in BSE and NSE to support small businesses in raising capital.
- ◆ **Innovators Growth Platform (IGP):** SEBI created IGP to help startups and new-age tech companies list and raise funds.

SEBI also encouraged the growth of Alternate Investment Funds (AIFs) like venture capital funds, private equity funds and hedge funds with proper regulatory frameworks.

SEBI's Strong Action Against Corporate Frauds

SEBI showed zero tolerance towards corporate misgovernance:

- ◆ In the PNB-Nirav Modi scam, SEBI worked with banks and investigative agencies to tighten norms on corporate disclosures.
- ◆ SEBI imposed restrictions on promoters of companies that failed to meet minimum public shareholding norms.
- ◆ SEBI also ordered forensic audits and took action against auditors who failed to report financial irregularities.

Empowering Retail Investors

SEBI focused heavily on protecting and educating small investors:

- ◆ SEBI Investor Awareness Campaigns were run across India, including rural areas.
- ◆ SEBI enhanced the SCORES platform to make complaint redressal faster.
- ◆ It made it compulsory for companies and brokers to handle investor grievances within set timelines.
- ◆ SEBI promoted financial literacy programs through schools, colleges and online platforms.

Handling the COVID-19 Impact



The COVID-19 pandemic in 2020 created panic in global markets. SEBI took several steps to maintain stability:

- ◆ Relaxed compliance deadlines for companies.
- ◆ Reduced circuit filter levels to control extreme market volatility.
- ◆ Allowed electronic settlements and e-KYC to ensure smooth transactions during lockdowns.
- ◆ SEBI also monitored large institutional trades to prevent manipulation during low-volume periods.



- ◆ Tackling misinformation on social media is affecting stock prices.

SEBI had to continuously upgrade its systems, staff skills and legal powers to deal with these challenges.

SEBI's Global Role

Between 2010 and 2025, SEBI transformed itself into a modern, tech-driven regulator. It tackled new-age scams, improved market systems and made India's markets more transparent and globally respected.

But with financial markets evolving daily, SEBI's journey of reforms, vigilance and modernization continues. The story of SEBI is not just about the past; it is about staying ready for the future.

SEBI's Journey Towards Faster Settlements

One of SEBI's biggest achievements was bringing the T+1 Settlement Cycle:

- ◆ From 2022, SEBI implemented T+1 settlements in phases.
- ◆ This made India one of the fastest settlement markets in the world.
- ◆ It reduced risks for investors and improved liquidity in the system.

Challenges SEBI Faced (2010–2025)

Even with these achievements, SEBI had to face many challenges:

- ◆ The rise of global scams involving cross-border transactions.
- ◆ Complex corporate frauds use layered ownership structures.
- ◆ Keeping up with fast-changing financial technologies (FinTech) and cryptocurrency-related risks.



Conclusion: SEBI's Journey From Powerless to Powerful (1988–2025)

The story of SEBI is the story of India's stock market becoming safe, transparent and trusted.

When SEBI was formed in 1988, it had no powers. It could only give advice. Brokers and companies were free to do what they wanted. Scams like the Harshad Mehta scam (1992) exposed how weak India's financial system was.

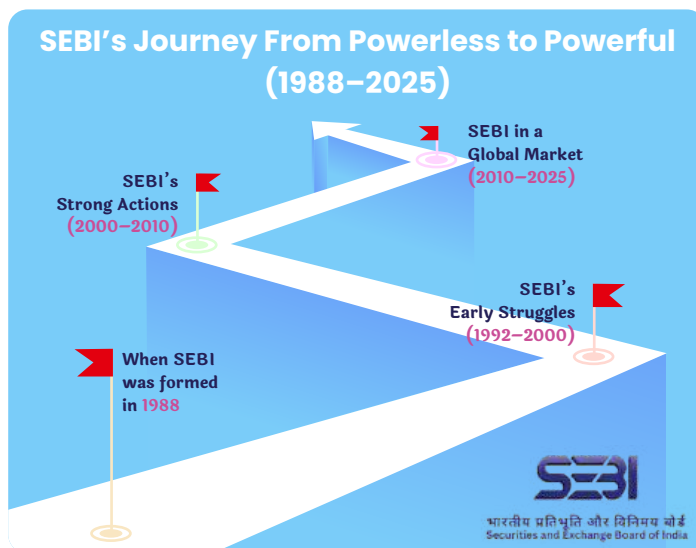
But that scam became a turning point.

SEBI's Early Struggles (1992–2000)

- ◆ After the scam, the government gave SEBI full powers through the SEBI Act, 1992.
- ◆ SEBI started regulating brokers, merchant bankers, mutual funds and stock exchanges.
- ◆ SEBI introduced Demat accounts, screen-based trading and faster settlement cycles.
- ◆ It fought against scams, bad brokers and cleaned up old systems.
- ◆ These years were about building trust and creating rules.

SEBI's Strong Actions (2000–2010)

- ◆ The Ketan Parekh scam (2001) was another big challenge.
- ◆ SEBI acted tough. It banned manipulators, improved surveillance and brought new IPO rules.
- ◆ It made insider trading rules stricter.



- ◆ SEBI worked to protect small investors through complaint systems and education.
- ◆ By 2010, SEBI had become a strong regulator that fraudsters feared.

SEBI in a Global Market (2010–2025)

- ◆ With India's markets going global, SEBI had to upgrade its systems.
- ◆ SEBI used technology like real-time surveillance systems, data analytics and started experimenting with AI and Blockchain.
- ◆ It created rules for Algo Trading, Mutual Funds, REITs, SME Listings and Startups.
- ◆ SEBI acted strongly in cases like the Sahara Refund Case, NSEL Scam and Karvy Fraud.
- ◆ It reduced settlement cycles to T+1, making India one of the fastest markets in the world.
- ◆ SEBI also focused on investor protection through the SCORES platform, education drives and ensuring fair play.

Challenges that SEBI Faced

- ◆ New-age scams became more complex with technology.
- ◆ Cross-border frauds, social media misinformation and FinTech risks kept SEBI on its toes.
- ◆ Cryptocurrencies and global economic shocks like COVID-19 added more pressure.
- ◆ But SEBI kept upgrading its systems, making stricter laws and working closely with global regulators.



SEBI's Biggest Achievement

SEBI's biggest success is that it turned India's stock market from a place of scams to a trusted investment platform for millions of Indians and global investors.

Today, India's financial markets are considered fair, transparent and well-regulated. Investors know a watchdog is protecting their interests.

The Journey Continues

SEBI's journey is not over. Markets will keep evolving. New challenges will always come. But SEBI has shown that it is ready to adapt, reform and protect investors in every era.

From being a powerless body in 1988 to becoming a globally respected regulator by 2025, SEBI's journey is a story of India's financial growth, discipline and investor confidence.



IPO 104

ESG Ratings & Compliance for Public Companies



Introduction:

Why ESG Matters After IPO

Imagine this: A company goes public, raises ₹2000 Crore and everyone celebrates. But six months later, global investors start asking—‘What about your carbon footprint? What about labour practices? What about your board transparency?’

This is the new IPO reality. A decade ago, IPO success was measured only by subscription levels, listing gains and profit potential. Today, the yardstick has changed. Alongside balance sheets, investors want to see sustainability; the world wants to know if your business is responsible, sustainable and ethical.

In the modern IPO landscape, ESG—Environment, Social and Governance—has become the fourth pillar of corporate evaluation.

In fact, after the IPO, ESG disclosures are not optional—they are compliance.

Breaking Down ESG

Let’s simplify this for founders:

E – Environment

How your company impacts nature.

- * Are you using renewable energy?
- * Do you track carbon emissions?
- * Do you recycle waste?

Example: Tata Power is building its renewable portfolio, which boosts its ESG standing.

S – Social

How you treat people.

- * Are employees safe and fairly treated?
- * Is there diversity in your workplace?
- * Do you invest in community development?

Example: Infosys publishes detailed reports on employee well-being and diversity.

G – Governance

How transparent and ethical your management is.

- * Do you have independent directors?
- * Are your accounts transparent?
- * Do you avoid conflicts of interest?

Example: HDFC Bank has always highlighted strong governance, which reassures investors.

Think of ESG as business hygiene for modern capital markets. Without it, investors see your company as a risk.

ESG & IPO Journey

For a private company, ESG is optional. But once you're listed, SEBI and investors demand it.

- ◆ **Pre-IPO:** Some voluntary ESG disclosures are good for branding and investor trust.
- ◆ **Post-IPO:** SEBI makes it mandatory for the top 1000 companies to file the BRSR – Business Responsibility and Sustainability Report.

This report covers:

- ◆ Environmental impact
- ◆ Employee practices
- ◆ Corporate governance
- ◆ Stakeholder engagement

And here's the key point: Global investors like BlackRock, Norway Pension Fund and sovereign funds will not invest unless your ESG is strong.

ESG Ratings – How They Work

Just like you get a credit rating for bonds, you get an ESG rating for sustainability.

- ◆ **Global rating agencies:** MSCI ESG, Sustainalytics, S&P Global CSA.
- ◆ **Indian agencies:** CRISIL, ICRA, CARE now give ESG ratings.

A high ESG score = more trust, more long-term investors.

A low ESG score = risk of losing access to institutional capital.

A strong ESG score builds investor confidence, enhances brand reputation and attracts long-term institutional money. Conversely, a weak score can limit access to capital, even if the company is profitable.

Compliance Requirements for Indian Listed Companies

SEBI has introduced the BRSR framework. Here's what it means for you:

- ◆ The top 1000 listed companies must file ESG disclosures every year.
- ◆ Mandatory reporting includes:
 - * Greenhouse gas emissions
 - * Energy consumption
 - * Gender diversity in the workforce
 - * Board independence
 - * Whistle-blower policies
 - * Supply chain responsibility

For smaller listed companies, this is still voluntary. But mark my words—very soon, ESG reporting will be required for everyone.

Also, global investors demand that you align with international standards:

- ◆ GRI (Global Reporting Initiative)
- ◆ SASB (Sustainability Accounting Standards Board)
- ◆ TCFD (Task Force on Climate-Related Disclosures)

This means if you're targeting global capital, you can't ignore ESG compliance.

Why Founders Should Care (Even Before IPO)

Founders often think: "We'll worry about ESG after the IPO." Big mistake!

If you start ESG practices early, your IPO journey becomes smoother. Benefits include:

- ◆ **Boosting Valuation:** Strong ESG credentials improve investor confidence and demand.
- ◆ **Attracting Global Funds:** Many ESG-focused funds invest only in companies with credible ratings.



- ◆ **Mitigating Risk:** Early compliance reduces the chance of regulatory penalties or reputational damage later.

For startups and MSMEs, early ESG adoption is a competitive edge. It positions you as future-ready.

Case Studies & Examples

- ◆ **ReNew Energy Global**
High ESG scores, strong sustainability disclosures. Result? Attracted ESG-focused funds and global investors.
- ◆ **Vedanta / Adani**
Faced controversies around environmental and governance issues. Outcome? Investor trust shaken, stock volatility increased.
- ◆ **Infosys & TCS**
Known for strong governance, clear reporting and sustainable practices. Outcome? Continued global investor trust, even during tough markets.

These stories prove: ESG can either be your growth accelerator or your biggest risk.

ESG = Long-Term Value Creation

Investors now say: "Show us profit, but also show us purpose."

Ignoring ESG =

- ◆ Regulatory fines
- ◆ Loss of investor confidence
- ◆ Brand damage

Embracing ESG =

- ◆ Higher valuations
- ◆ Long-term institutional investors
- ◆ Global partnerships and market expansion

Think of ESG as insurance for your company's future.

Founder's Checklist for ESG Readiness

Here's a practical 5-step checklist:

1. Start ESG reporting early—even if not mandatory.
2. Build internal sustainability policies (energy, waste, emissions).
3. Strengthen governance—independent directors, transparent disclosures.
4. Track social impact—employee welfare, diversity, CSR.
5. Engage an ESG rating agency before IPO to find gaps.

Conclusion – The New IPO Reality

The IPO world is changing. Tomorrow's investors won't just ask "How much profit did you make?" They'll ask—"How are you treating the planet, your people and your principles?"

As a founder, preparing your company for ESG today means:

- ◆ Winning investor trust
- ◆ Attracting long-term capital
- ◆ Building a reputation that lasts beyond numbers

IPO is no longer just about financial compliance—it's about sustainable, responsible and transparent business leadership.

For founders, the message is clear: prepare for ESG as seriously as you prepare your DRHP. Your IPO valuation, investor trust and future reputation depend on it.



Term of the Month

The Book Building Process

When companies go public, one big question always comes up:
At what price should the shares be offered?

That's where the Book Building Process steps in. It's one of the most important—and widely used—methods of price discovery in IPOs.

What is Book Building?

Book building is like an auction for shares during an IPO.

- ◆ The company and its bankers don't fix a single price straight away.
- ◆ Instead, they announce a price band (say ₹100–₹120 per share).
- ◆ Investors then submit bids within this band –stating how many shares they want and at what price.

All these bids are recorded in a “book,” which shows the real demand from retail investors, institutions and foreign funds.

The final price is decided where demand is strongest.

Why It Matters

Fair Price Discovery – Instead of being arbitrary, the market itself decides the share price.

Investor Confidence – Retail and institutional investors trust the process as it's transparent.



Efficient Allocation – Ensures genuine demand gets priority and oversubscription is handled fairly.

Global Standard – Book building is not just India's favorite—it's the global norm for IPOs.

How the Process Works (Step by Step)

1. Price Band Announcement

The company sets a floor price (minimum) and a cap price (maximum).
Example: ₹100–₹120 per share

2. Bidding Period

Investors bid within the price range, mentioning both quantity and price.

- ◆ Retail investors (like you and me) often apply at the cut-off price (the highest end of the band).
- ◆ Institutions may spread bids at different prices to test demand.

3. Building the Book

Merchant bankers collect and record all bids. This book shows who wants how many shares at what price.

4. Price Discovery

Based on demand, the final IPO price is fixed.

- ◆ If demand is strong at ₹120, that becomes the issue price.
- ◆ If bids are lower, the price may settle closer to ₹100.

5. Allocation of Shares

Shares are allotted based on SEBI's rules:

- ◆ QIBs (Qualified Institutional Buyers)
- ◆ NIIs (Non-Institutional Investors / HNIs)
- ◆ Retail Investors

Quick Example:

A startup launches IPO with a band of ₹90–₹100.

- ◆ Retail investors mostly bid at ₹100
- ◆ Institutions bid for large quantities at ₹95–₹98
- ◆ Final demand shows 80% bids at ₹100

The issue price gets fixed at ₹100 per share.

Founder's Angle

For promoters, book building is more than just pricing:

- ◆ It signals market trust in your company's story.
- ◆ A well-subscribed book boosts brand image and post-listing performance.
- ◆ Weak subscription may send a negative signal—even before listing day.

This is why most IPO-bound founders spend months preparing investor presentations, anchor allocations and roadshows before the bidding window opens.

Did You Know?

- ◆ Over 90% of IPOs in India today use the book building method.
- ◆ SEBI introduced book building in the late 1990s to bring more transparency.
- ◆ Fixed-price IPOs are now rare—used mostly by small SME issues.

In Simple Words

Think of book building as a fair auction where the market decides the IPO price—not the company alone.

It balances interests, boosts confidence and sets the stage for a successful listing.

Why This Term Matters for You:

If you're a founder, understanding book building helps you shape your IPO strategy. If you're an investor, it helps you decide how to bid smartly.

Next time you see an IPO price band, you'll know: the real price is not set yet—it will be discovered through book building.



Mistakes Founders Still Make



Incomplete Disclosures | Ignoring ESG Risks | Misjudging Market Timing

Every edition, we track recurring blind spots that continue to derail founders on their IPO journey. Even with sharper regulations, experienced advisors and a maturing market, many companies fall prey to the same pitfalls. This time, we focus on three critical mistakes:

incomplete disclosures, ignoring ESG and misjudging timing.

Mistake 1: Incomplete Disclosures

“The devil is in the details—and investors always read the fine print.”

What Founders Get Wrong

- ◆ Rushing to file the Draft Red Herring Prospectus (DRHP) with gaps in disclosures.
- ◆ Under-reporting or delaying updates on:
 - * Related-party transactions
 - * Ongoing litigation or regulatory cases

- * Promoter share pledges or complex holding structures
- * Contingent liabilities

Why It Backfires

- ◆ SEBI has little tolerance for half-truths—queries can delay the IPO by months.
- ◆ Investors lose faith quickly when something surfaces post-DRHP that wasn't disclosed earlier.
- ◆ Even if the issue sails through, hidden surprises damage post-listing trust and valuations.

Founder Tip

Think of the DRHP as your company's autobiography. Don't hide the scars—own them. Investors respect honesty more than perfection. Companies like Infosys and TCS built reputations not because they were flawless, but because they were transparent.

Mistake 2: Ignoring ESG Risks

“In today’s markets, profitability is necessary, but responsibility is powerful.”

What Founders Get Wrong

- ◆ Treating ESG (Environmental, Social, Governance) as “Western talk” or irrelevant to Indian IPOs.
- ◆ Believing ESG reports can wait until after listing.
- ◆ Not realizing that even mid-sized funds now have ESG mandates before investing.

Why It Backfires

- ◆ Institutional investors increasingly screen IPOs through an ESG lens.
- ◆ Poor ESG visibility can shrink demand in the QIB (Qualified Institutional Buyer) category, which is critical for book building.
- ◆ Governance lapses—like weak boards, lack of diversity, or inadequate disclosures—can depress valuations.

Founder Tip

Start ESG reporting early. Even small steps—energy audits, diversity hiring, CSR alignment, independent directors—signal maturity. Companies like ReNew Power and Adani Green Energy attracted strong global interest partly because they showed ESG credibility from day one.



Mistake 3: Misjudging Market Timing



“A good company listed at the wrong time can look like a bad company.”

What Founders Get Wrong

- ◆ Believing that fundamentals alone guarantee IPO success.
- ◆ Ignoring market mood, liquidity cycles, or competing IPOs.
- ◆ Launching during volatile macro conditions—global rate hikes, elections, or geopolitical events.

Why It Backfires

- ◆ Weak market sentiment leads to undersubscription.
- ◆ Even if subscribed, poor listing-day performance damages brand reputation.
- ◆ A delayed or failed IPO can take years to recover from—both financially and psychologically.

Founder Tip

Timing is a strategy. Listen to your merchant bankers, track FPI (Foreign Portfolio Investor) flows and study peer listings. Sometimes waiting 3–6 months can mean the difference between a ₹500 Crore raise and a ₹1,200 Crore success.

Case-in-Point

- ◆ **Cafè Coffee Day (2015):** Weak disclosures on debt raised concerns that haunted the company post-listing.
- ◆ **Go Airlines (2021):** ESG blind spots around governance delayed approval.
- ◆ **Several 2022–23 tech IPOs:** Misjudged market timing after the Zomato-Nykaa boom, leading to sharp post-listing corrections.

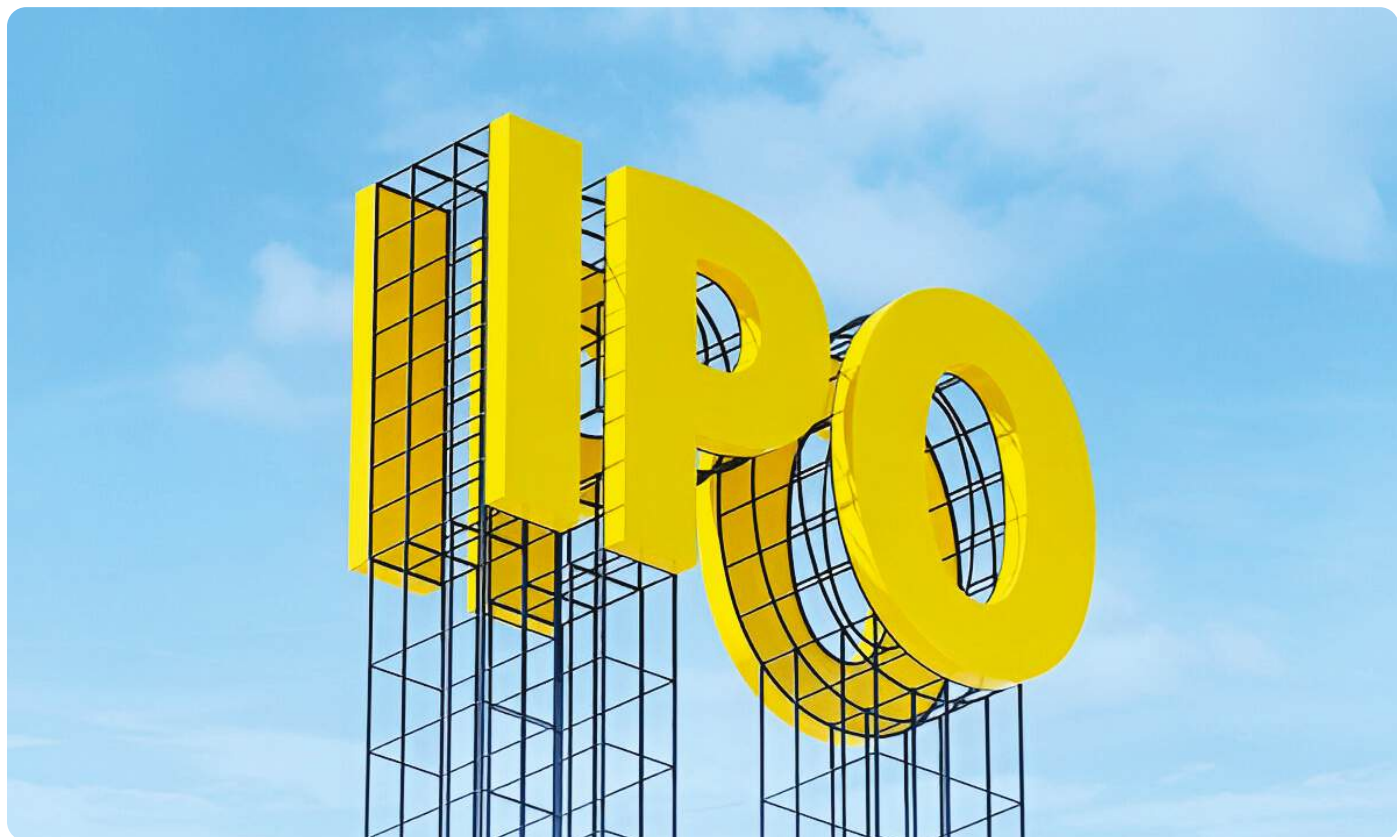
Final Word

IPO readiness is not just about financials—it's about credibility, responsibility and timing.

- ◆ **Disclosures** build trust.
- ◆ **ESG attracts** global capital.
- ◆ **Timing** defines success.

Founders who respect these three pillars give investors confidence that goes beyond listing day. Those who don't risk seeing their IPO dream turn into a hard lesson in the public market.

Remember: An IPO is not the finish line. It's the start of a new, more demanding journey where every detail counts.



Quick Tips

IPO Myths Busted: Vol. 4



“Only Big Corporations Can Launch ESG-Driven IPOs” & 4 More

Green and ESG-driven IPOs are rewriting the rules of India’s capital markets. Yet, myths and misconceptions continue to cloud founders’ minds. Let’s bust five of the most common ones—with real-world case studies to prove why they no longer hold.

Myth 1: Only Big Corporations Can Launch ESG-Driven IPOs

The Truth:

ESG isn’t about scale—it’s about commitment. Mid-sized firms and even startups are now successfully attracting institutional investors by demonstrating sustainability early on. Investors care about intent, reporting and governance, not just balance-sheet size.

Example:

◆ Inox Green Energy (2022 IPO), a renewable power services company, proved that even smaller clean-tech businesses can launch successful IPOs. The issue drew solid institutional participation despite being relatively modest in size, thanks to its ESG profile.

Myth 2: ESG = Just Renewable Energy

The Truth:

ESG goes far beyond wind and solar. It includes how companies treat employees, manage supply chains, disclose risks and govern themselves. Food delivery, luxury retail and even IT firms are getting ESG-focused funds if they show commitment to governance and sustainability.

Example:

◆ Zomato (2021 IPO) isn’t a “green” company, but it positioned ESG as part of its story—highlighting reduced packaging waste, climate-friendly delivery options and stronger governance frameworks. This helped attract ESG-conscious investors and broadened institutional participation.

Myth 3: ESG Disclosures Can Wait Until After Listing

The Truth:

In today’s market, ESG reporting is expected before an IPO. Global and domestic funds increasingly require disclosures up front. Weak or missing ESG data in a DRHP often results in extended SEBI queries or lower investor confidence.

Example:

- ◆ Sterlite Power's IPO plan (~₹1,250 Crore) was delayed in 2021–22 partly due to concerns around environmental approvals and clearances. It showed that ESG blind spots can hold back even well-known businesses from going public.

Myth 4: Green IPOs Don't Deliver Strong Returns

The Truth:

Investors are rewarding companies that show they are future-ready. In fact, ESG-oriented IPOs are often priced at a premium because they align with long-term global capital flows. Listing gains and strong aftermarket performance prove that “green” doesn't mean “weak returns.”

Example:

- ◆ ReNew Power (2021, NASDAQ listing) raised \$610 million via the SPAC route. It drew marquee global investors not just for its business model but for its strong ESG positioning. Its success inspired other Indian clean energy players to explore IPOs with sustainability as a central theme.

Myth 5: ESG Compliance is Too Costly for Small Companies

The Truth:

Sustainability is not always about heavy investment in technology. Many ESG practices—like fair-wage policies, digitized audits, ethical sourcing, or appointing independent directors—are affordable steps that SMEs can take. What matters most is showing measurable progress and commitment.

Example:

- ◆ Ethos Ltd. (2022 IPO), a luxury watch retailer, isn't in energy or manufacturing, but it gained investor trust by highlighting governance standards, transparent supply chains and sustainability in sourcing practices. This proves that even consumer companies can attract ESG capital without massive spending.

Final Word

The ESG wave is not just for global giants—it's shaping India's IPO future. From renewables to consumer brands, companies across sectors are embracing ESG frameworks to secure stronger valuations, wider investor participation and sustainable credibility.

Founders, take note:

- ◆ ESG is not an extra—it's essential.
- ◆ Disclosures cannot wait until after listing.
- ◆ Being “green” is not about charity—it's about future-proof growth.

Busting these myths is the first step to preparing for tomorrow's IPO market.



TOOLKIT & RESOURCE ZONE

The image is a complex digital composition. In the foreground, a man in a dark suit and tie is shown from the chest up, looking down. His hands are positioned as if interacting with a digital interface. The background is a layered collage: a city skyline at night with illuminated buildings, overlaid with several white and green line graphs showing fluctuating data trends. A prominent circular gauge or progress indicator is visible in the lower right corner, with a bright light flare. The overall color palette is dominated by dark blues, greys, and greens, with highlights from the city lights and the gauge.

Jargon Buster – A to Z of IPO Terms



The world of IPOs comes with its own alphabet of terms—and some of the most crucial ones sit between G and I. From the Green Shoe Option that stabilizes prices, to the Internal Controls Report that assures governance, to the Investor Relations team that shapes trust post-listing—these are not just technical words, but tools that define IPO success. In this edition, we decode the G-to-I essentials every founder and investor must know.

Green Shoe Option

Definition:

A special clause in the underwriting agreement allows the lead managers (merchant bankers) to sell up to 15% more shares than originally planned in the IPO. It was first used by Green Shoe Manufacturing Company in the U.S., hence the name.

Purpose:

The primary aim is to stabilize the share price after listing. If the stock price falls below the issue price, the underwriters buy back shares, reducing volatility. If demand is strong, they release extra shares into the market to meet investor appetite.

Importance in IPO:

It builds confidence among investors that the stock will not collapse immediately after listing. For founders, it ensures smoother listing-day performance and protects brand reputation. For the market, it promotes fairness and stability.

Process:

- ◆ The company allots an additional 15% shares to the stabilizing agent.
- ◆ If share prices dip below the issue price, the agent buys from the market to support it.
- ◆ If shares trade strongly, the extra allotment absorbs demand without overheating the price.

Impact:

- ◆ Reduces post-listing panic and volatility.
- ◆ Helps in price discovery and market stability.
- ◆ **Example:** Zomato's 2021 IPO used a green shoe option effectively to manage massive retail demand.

Internal Controls Report

Definition:

A report that evaluates whether a company's financial, accounting and compliance systems are strong, reliable and resistant to manipulation.





Investor Relations Team (IR Team)

Definition:

The team is responsible for all communication between the company and its shareholders, analysts and regulators after the IPO.

Purpose:

To maintain consistent, transparent and positive engagement with the market. The IR team ensures investors feel informed and confident about their investment.

Importance in IPO:

Post-listing, the company's stock price depends as much on performance as on communication. A strong IR team can prevent misinformation and maintain investor goodwill even during tough quarters.

Process:

- ◆ Preparing quarterly earnings presentations.
- ◆ Handling analyst meets and investor Q&A.
- ◆ Publishing press releases and regulatory filings.
- ◆ Coordinating roadshows post-listing for visibility.

Impact:

- ◆ Improves investor confidence and reduces volatility.
- ◆ Enhances long-term valuation by strengthening brand credibility.
- ◆ **Example:** Infosys set benchmarks in India with one of the earliest dedicated IR teams.

Purpose:

To give assurance to regulators and investors that the company's reporting is accurate, timely and transparent.

Importance in IPO:

A company with weak internal controls risks delays, rejections, or even penalties. SEBI mandates strong internal controls as IPO-bound companies transition into public scrutiny.

Process:

- ◆ Independent auditors review systems for risk management, compliance and reporting.
- ◆ Gaps are identified and recommendations made.
- ◆ Founders are expected to address weaknesses before IPO filings.

Impact:

- ◆ Builds trust with institutional investors.
- ◆ Reduces the risk of accounting scandals post-IPO.
- ◆ **Example:** Strong internal controls were one of the reasons Infosys earned early investor trust when it listed in the 1990s.

IPO Committee

Definition:

A special committee formed by the board of directors to oversee all decisions and activities related to the IPO.

Purpose:

To streamline the IPO process by assigning responsibility to a focused team rather than involving the full board in every small decision.

Importance in IPO:

Ensures compliance, quicker approvals and professional oversight. Also shows regulators and investors that the company takes governance seriously.

Process:

- ◆ Composed of directors, the CFO, legal counsel and senior executives.
- ◆ Reviews DRHP, issue structure, price band and allocation strategy.
- ◆ Coordinates with bankers, auditors and SEBI.

Impact:

- ◆ Reduces delays and confusion.
- ◆ Improves coordination between internal and external stakeholders.
- ◆ **Example:** In large IPOs like LIC (2022), a dedicated IPO committee was critical to managing complexity.

IPO Grading

Definition:

A rating (1 to 5) assigned by SEBI-registered credit rating agencies that evaluates the fundamentals of the company issuing an IPO. It does not judge the price, only the quality.



Purpose:

To help retail investors make informed choices by providing an independent view of the company's strengths and risks.

Importance in IPO:

Although optional since 2014, IPO grading still provides credibility for lesser-known companies. A higher grade improves subscription chances among cautious investors.

Process:

- ◆ Agency evaluates financial health, business model, industry prospects and governance.
- ◆ Final grade published in DRHP/RHP.

Impact:

- ◆ A high grade builds retail investor trust.
- ◆ A low grade can slow down subscriptions.
- ◆ **Example:** Just Dial IPO (2013) received a high grade, boosting its success.

IPO Roadshow

Definition:

A promotional campaign was conducted before the IPO to showcase the company's story to potential investors.

Purpose:

To attract institutional interest, build awareness and create momentum before the issue opens.

Importance in IPO:

Strong roadshows often determine IPO success. Global investors, especially FPIs, rely on these meetings to judge management quality and business strategy.

Process:

- ◆ Founders, CFO and bankers travel across cities (sometimes countries).
- ◆ Presentations made to QIBs, analysts and large investors.
- ◆ Investor questions are addressed in detail.

Impact:

- ◆ Boosts demand, which strengthens price discovery in book building.
- ◆ Builds credibility of founders as leaders.
- ◆ **Example:** LIC's IPO (2022) roadshow was one of the largest in Indian history, creating global buzz.

Issue Size

Definition:

The total value of all shares offered in an IPO. It includes both the fresh issue and the Offer for Sale (OFS).

Purpose:

To raise capital for growth, repay debt, or provide exits to early investors/promoters.

Importance in IPO:

It sets the tone for the IPO—large issue sizes test market liquidity, while smaller ones often



oversubscribe quickly. Investors use issue size to judge the scale of fundraising.

Process:

- ◆ Calculated as (number of shares × price per share).
- ◆ Disclosed in DRHP and finalized after price discovery.

Impact:

- ◆ **For founders:** decides dilution and valuation.
- ◆ **For investors:** signals market appetite.
- ◆ **Example:** LIC's ₹21,000 Crore issue was India's largest ever, testing market absorption capacity.

Issuer Company

Definition:

The company that is offering its shares to the public via an IPO.

Purpose:

To transition from private to public ownership and raise funds for business growth.

Importance in IPO:

The issuer is the center of the IPO process—responsible for disclosures, compliance, governance and transparency.

Process:

- ◆ Appoints bankers, lawyers and auditors.
- ◆ Files DRHP and RHP with SEBI.
- ◆ Ensures regulatory compliance at every step.

Impact:

- ◆ **For founders:** it's a transformative milestone that brings higher accountability.
- ◆ **For investors:** the issuer's credibility and governance standards decide whether the IPO succeeds.
- ◆ **Example:** Infosys, as an issuer in 1993, set the template for Indian companies going public with trust and transparency.

Final Note:

Each IPO term carries weight not just in theory, but in execution. For founders, understanding them means avoiding mistakes; for investors, it means making smarter decisions.



You Asked, We Answered

ESG-Specific Queries + General IPO FAQs



Every edition, we pick the most common queries founders, investors and readers send us. This time, your questions centered around ESG in IPOs—from disclosures and valuations to investor expectations—as well as some general IPO basics. Here are clear answers to help you navigate with confidence.

Q1. Do all companies need to comply with ESG reporting before an IPO?

Not all companies are mandatorily required to file full ESG disclosures at the IPO stage. However, SEBI now requires the top 1,000 listed companies to publish BRSR (Business Responsibility and Sustainability Report) annually. For IPO-bound companies, especially in high-growth sectors, starting ESG reporting early sends a strong positive signal.

Founder tip: Even if you're not mandated yet, voluntary ESG disclosures can attract institutional investors who filter IPOs based on sustainability metrics.

Q2. Can smaller SMEs also launch ESG-driven IPOs, or is it only for large corporations?

Yes, SMEs can definitely launch ESG-driven IPOs. Investors don't just look at size—they look at intent, governance and credible sustainability efforts. For example, renewable SMEs and EV component makers have successfully tapped India's SME exchanges.

Investor view: A smaller company with clear ESG practices often earns more trust than a large company with weak disclosures.

Q3. What is the difference between ESG and traditional compliance?

Traditional compliance is about following laws and regulations—like tax filings, SEBI rules and audit standards. ESG goes further. It measures how responsibly a company operates, covering environment, employee practices, diversity, ethics and governance quality.

In short: Compliance = mandatory rules. ESG = broader responsibility + investor expectation.

Q4. How do ESG factors affect IPO valuations?

Strong ESG companies often command premium valuations because:

- ◆ They attract more institutional capital.
- ◆ They face fewer regulatory and reputational risks.

- ◆ They align with long-term global investor mandates.

Example: ReNew Power is listed in the U.S. with strong ESG positioning, securing marquee global investors.

Q5. What's the role of an Investor Relations (IR) team after a Green IPO?

The IR team becomes the bridge between the company and investors. For Green IPOs, the IR team must regularly update on sustainability progress—carbon targets, diversity, compliance, etc. This maintains credibility and avoids accusations of “greenwashing.”

Impact: Strong ESG communication keeps global funds invested for the long term.

Q6. Is IPO grading still mandatory?

No. SEBI made IPO grading optional in 2014. Earlier, rating agencies graded IPOs on fundamentals (1 to 5 scale). Today, investors rely more on company disclosures, anchor investor participation and institutional demand.

However: A voluntary high grading can still help retail investors build trust.

Q7. How important is IPO timing? Can a strong company list anytime?

Timing is critical. Even great companies can suffer poor subscriptions if they list during weak market sentiment (e.g., global rate hikes or geopolitical shocks). Conversely, companies that time their IPO with bullish markets often enjoy strong oversubscription and listing-day gains.

Lesson: Fundamentals matter, but timing amplifies or limits IPO success.

Q8. What is the role of an IPO Committee?

The IPO Committee, formed by the board, oversees key decisions such as finalizing bankers, approving the draft prospectus and fixing the price band.

Why it matters: For founders, this ensures smoother execution. For investors, it signals the company takes governance seriously.

Q9. After listing, do companies still need to report ESG progress?

Yes. Going public is the beginning, not the end. Once listed, companies face even higher scrutiny. Institutional investors track ESG metrics quarterly and annually. Failure to deliver can affect share price, valuations and even global fund participation.

Rule of thumb: Treat ESG reporting like quarterly earnings—it's ongoing, not one-time.

Closing Note

Your IPO journey doesn't stop with compliance—it now includes sustainability, transparency and continuous engagement with investors. Whether you're a startup, SME, or large corporates, knowing how ESG and IPO basics work together will help you win long-term trust in the market.





**DATA,
TRENDS
&
VISUALS**

Market Snapshot

IPO Launch Highlights – Capital Raised & Performance Overview



Mainboard IPOs Snapshot

August 2025 was a busy month for mainboard IPOs in India. Big issues like Vikram Solar Ltd. (56.4x), Patel Retail Ltd. (95.7x), Regaal Resources Ltd. (159.9x) and Highway Infrastructure Ltd. (316.6x) saw very strong subscriptions. Smaller issues like Amanta Healthcare and Anlon Healthcare also got good investor interest.

Overall, more than 15 mainboard IPOs collected over ₹19,000 Crore in August. High subscription levels and large application numbers show that investors are very confident in India's main market IPOs. Strong retail and institutional demand made August one of the most active months of 2025 for mainboard listings.

Company Name	Listing Date	Issue Size (₹ Cr)	Listing Day Gain	Profit/Loss	Subscription (x)
Mangal Electrical Industries Ltd.	Aug 28, 2025	₹400	-4.57%	-6.01%	9.95x
Shreeji Shipping Global Ltd.	Aug 26, 2025	₹410.71	1.23%	0.18%	58.08x
Gem Aromatics Ltd.	Aug 26, 2025	₹451.25	12.82%	2.76%	30.45x
Vikram Solar Ltd.	Aug 26, 2025	₹2,079.37	-1.83%	-15.05%	56.42x
Patel Retail Ltd.	Aug 26, 2025	₹242.76	7.35%	1.34%	95.69x
Regaal Resources Ltd.	Aug 20, 2025	₹306	29%	12.06%	159.87x
BlueStone Jewellery & Lifestyle Ltd.	Aug 19, 2025	₹1,540.65	5.61%	3.51%	2.72x
All Time Plastics Ltd.	Aug 14, 2025	₹400.6	3.02%	7.87%	8.62x
JSW Cement Ltd.	Aug 14, 2025	₹3,600.00	-0.63%	1.02%	8.22x

Knowledge Realty Trust	Aug 18, 2025	₹4,800.00	6.24%	7.17%	12.48×
Highway Infrastructure Ltd.	Aug 12, 2025	₹130	72.50%	35.81%	316.64×
Sri Lotus Developers & Realty Ltd.	Aug 6, 2025	₹792	30.45%	20.80%	74.1×
Highway Infrastructure Ltd.	Aug 6, 2025	₹650	6.14%	12.44%	38.11×
Sri Lotus Developers & Realty Ltd.	Aug 6, 2025	₹4,011.60	17%	54.77%	41.02×

SME IPOs Snapshot

August 2025 was a very strong month for SME IPOs in India. Many companies saw huge demand from investors. BLT Logistics Ltd. (560.7x), Medistep Healthcare Ltd. (382.1x), Current Infraprojects Ltd. (379.4x) and Flysbs Aviation Ltd. (318.7x) were among the most popular IPOs. Other issues like Anondita Medicare Ltd. (300.9x) and Classic Electrodes Ltd. (179.9x) also got big oversubscription.

In total, more than 30 SME IPOs raised over ₹3,000 Crore in August. Lakhs of people applied for these IPOs. This shows that investors have very high interest in SME IPOs and small companies are now using this platform more and more to raise money and grow their business.

Company Name	Listing Date	Issue Size (₹ Cr)	Listing Day Gain	Profit/Loss	Subscription (x)
BLT Logistics Ltd.	Aug 11, 2025	₹9.72	27.32%	-15.33%	560.69×
Medistep Healthcare Ltd.	Aug 18, 2025	₹16.10	17.09%	-15.23%	382.14×
Current Infraprojects Ltd.	Sep 3, 2025	₹38.86	90.94%	90.94%	379.44×
Flysbs Aviation Ltd.	Aug 8, 2025	₹102.53	99.49%	187.60%	318.68×
Anondita Medicare Ltd.	Sep 1, 2025	₹69.50	99.48%	130.86%	300.89×
Sattva Engineering Construction Ltd.	Sep 3, 2025	₹35.38	33.13%	34.13%	198.17×
Classic Electrodes (India) Ltd.	Sep 1, 2025	₹41.51	9.2%	-0.86%	179.97×
Cash Ur Drive Marketing Ltd.	Aug 7, 2025	₹60.79	21.12%	12.46%	81.94×
Connplex Cinemas Ltd.	Aug 14, 2025	₹90.27	5.59%	8.47%	35.67
Mahendra Realtors & Infrastructure Ltd.	Aug 20, 2025	₹49.45	-24%	-37.53%	25.15×
Takyon Networks Ltd.	Aug 6, 2025	₹20.48	3.19%	-7.41%	21.77×

Key Insights: August 2025

Mainboard & SME IPOs

Mainboard Highlights

- ◆ **Biggest Mainboard IPO:** Knowledge Realty Trust (₹4,800 Cr)
- ◆ **Best Mainboard Gainer:** National Securities Depository Ltd. (NSDL) (+54.77% Current Gain)
- ◆ **Worst Mainboard Performer:** Vikram Solar Ltd. (-15.05% Current Gain)
- ◆ **Most Subscribed Mainboard IPO:** Highway Infrastructure Ltd. (316.64x)

SME IPOs Highlights

- ◆ **Most Subscribed SME IPO:** BLT Logistics Ltd. (560.69x)
- ◆ **Best SME Gainer:** Flysbs Aviation Ltd. (+187.60% Current Gain)
- ◆ **Highest SME Fundraising:** Flysbs Aviation Ltd. (₹102.53 Cr, 318.68x)
- ◆ **SME IPOs in August:** 30+ issues mobilizing over ₹13,00 Crore
- ◆ **Investor Trend:** August 2025 saw very high investor demand with several SME IPOs getting record oversubscription, led by BLT Logistics & Flysbs Aviation Ltd.



Investor Pulse

FII/DII Activity Overview (August 2025)

Segment	Gross Purchase (₹ Cr)	Gross Sales (₹ Cr)	Net Purchase/Sale (₹ Cr)
FII Cash	2,68,078	3,14,981	-46,903
DII Cash	3,12,356	2,17,527	94,829

FII/DII Activity

- ◆ FIIs were net sellers of about ₹46,903 Crore in August, with gross purchases near ₹2,68,077 Crore and gross sales about ₹3,14,980 Crore, reflecting a risk-off tone from stronger dollar, higher global yields and trade concerns.
- ◆ DIIs offset foreign selling with an estimated net inflow of roughly ₹94,829 Crore, driven by mutual funds and insurers buying into banks, infrastructure and consumer names during dips.
- ◆ End-August daily prints continued to show FIIs selling and DIIs buying, underscoring the month's persistent divergence in flows across the cash segment.

Stock Market Performance

- ◆ Through August, benchmarks faced pressure but avoided a steep correction as domestic flows lent support, with multiple sessions showing weakness on foreign selling and global cues.
- ◆ India VIX stayed firm versus mid-July lows; by late August, volatility picked up further, with VIX rising as traders sought protection amid choppy global risk sentiment.
- ◆ Market breadth weakened into the final week, with BSE market cap eroding by about ₹3.39 lakh Crore on August 26 as risk aversion rose and the rupee softened near ₹87.75 per US dollar.

Sector Trends

- ◆ Globally linked sectors like IT, pharma and chemicals underperformed on risk-off flows and currency swings, aligning with heavier FII selling through the month.
- ◆ Domestic themes such as financials and infrastructure attracted accumulation from DIIs, supporting mid and small-cap resilience despite bouts of volatility.
- ◆ Broader indices showed mixed performance on several sessions, with midcaps and small caps relatively steadier than large caps as local liquidity hunted for opportunities.

IPO & Fundraising

- ◆ August 2025 delivered a primary market surge, with about 43 IPOs raising roughly ₹17,252 Crore across mainboard and SME platforms, signaling strong investor appetite despite secondary market turbulence.
- ◆ The SME IPO segment hit a new record with 28 issues mobilizing nearly ₹1,345 Crore, highlighting increasing access to capital for smaller enterprises amid vibrant retail participation.
- ◆ The pipeline remained heavy, featuring anticipated large names like Tata Capital, Hero FinCorp, JSW Cement and NSDL flagged for the August calendar, reinforcing confidence in primary markets.

Market Sentiment

- ◆ Overall tone: cautious but constructive, as steady DII inflows balanced sizable FII outflows and prevented a deeper drawdown in headline indices.
- ◆ Risk indicators pointed to higher caution, with late-month volatility rising and the currency weakening alongside reports of the highest monthly FII outflow since February by late August.
- ◆ Domestic liquidity continued to act as a stabilizer, with mutual fund and insurance buying anchoring dips and supporting breadth in select domestic-facing sectors.

Key Takeaways

- ◆ August recorded a sharp FII outflow of about ₹46,900 Crore, offset by robust DII net buying near ₹94,800 Crore, cushioning markets through global risk episodes.
- ◆ Volatility ticked up into late August as India VIX climbed and the rupee softened, reflecting increased hedging and global macro uncertainty.
- ◆ Primary markets stayed strong, with 43 IPOs raising about ₹17,252 Crore and a busy pipeline signaling sustained investor demand despite choppy secondary action.



A person is shown from the chest down, wearing a dark top, writing on a document with a black pen. The document has some blue and orange markings. The background is slightly blurred. Overlaid on the image is a semi-transparent dark layer with the text 'WRAP-UP & PROMOTIONS' in white, bold, sans-serif font. The text is centered and occupies the middle portion of the image.

WRAP-UP & PROMOTIONS

Final Word

The Future of Sustainable Capitalism in Indian Markets



Indian stock markets are changing. Earlier, the focus was only on faster growth and bigger profits. But today, both investors and regulators are also asking: how responsibly is that growth being achieved? This is where sustainable capitalism comes in – a model where business success is linked with care for the environment, society and good governance.

Big investors worldwide have already started choosing companies that follow strong ESG practices. In India too, the trend is picking up. SEBI is pushing for better disclosures, renewable energy projects are attracting new funding and green bonds are becoming popular. The clear message is that responsibility in business is now directly connected to access to capital.

We can also see this shift in the IPO market. Companies in sectors like clean energy, electric vehicles and sustainable manufacturing are gaining more attention. They are not just seen as profitable, but also as future-ready. Even retail investors are beginning to appreciate that investing in such firms means participating in growth that lasts.

The idea is simple: sustainability is not a burden, it is an investment for long-term success. Companies that adopt it will earn trust, value and stability. Those that ignore it may find themselves losing relevance.

The final word: India's capitalism will grow not just faster, but also more responsibly. Sustainable capitalism is not just a dream—it is the road ahead.

What's Next in Edition 5 – The SME IPO Boom

They may be small in size, but they are making the loudest noise in India's markets. In the next edition, we turn the spotlight on SME IPOs—the segment that's delivering the highest number of listings, capturing retail imagination and rewriting the rules of wealth creation. From hidden champions to first-time founders ringing the bell, Edition 5 will decode India's SME IPO Boom.



IPO World–Mission & Journey

At **IPO World**, our mission is clear:

To simplify IPO knowledge and empower India’s next generation of public–market leaders.

From the very beginning, we believed IPOs should not remain a privilege of large corporates or elite finance circles. In today’s fast–changing economy, IPOs must also become a path for family businesses, MSMEs and sustainable ventures.

The 4th edition of IPO World takes this vision a step further — by spotlighting the rise of Green IPOs and ESG–focused listings. We believe that the future of capital markets belongs not just to profit–driven businesses, but to companies that create long–term value through responsibility, sustainability and transparency.

Whether it’s a startup filing its first draft, or an SME exploring the SME Board, IPO World stands as a knowledge and execution–first partner.

Through our magazine, expert webinars, live workshops and hands–on consulting services, IPO World continues to build an inclusive, transparent and future–ready IPO ecosystem for India.

What We Offer

Advisory & IPO Consulting

- ◆ IPO Readiness Checklists & Founder Coaching
- ◆ DRHP & Due Diligence Support
- ◆ Board Structuring & Compliance Simplification
- ◆ ESG Strategy, Disclosure & Green IPO Advisory

Funding & Capital Structuring

- ◆ Pre-IPO Funding (Bridge Loans, Structured Equity)
- ◆ Land/Asset–Based Funding Solutions
- ◆ Strategic Investor & Anchor Investor Introductions
- ◆ Impact Investment & Sustainable Financing Solutions



Regulatory Filings & Execution Support

- ◆ SEBI Filings, RTA Coordination
- ◆ UPI/ASBA Compliance Execution
- ◆ SME Board & Mainboard Listing Assistance
- ◆ Post-IPO Governance & ESG Compliance Support

Our goal is not just to “get you listed”—
It’s to help you build a sustainable and long-term presence in the market.

Contact Our IPO & ESG Advisory Experts

Green IPOs are changing the way Indian companies raise money. Investors today do not only look at profit; they also want to see how a company is taking care of the environment, society and governance (ESG). For businesses in renewable energy, clean manufacturing, waste management and sustainable packaging, this is the right moment to enter the market.

At India IPO, our IPO & ESG Advisory team helps founders and promoters prepare their company for a successful green listing. We guide you on both market readiness and sustainability strategy, so that your business can attract the right investors and raise funds with confidence.

What we do for Green & Clean Companies:

- ◆ **IPO Preparation:** Checking your eligibility, helping with DRHP filing and ensuring full SEBI compliance.
- ◆ **ESG Advisory:** Creating practical sustainability strategies for SMEs and large companies—so you can show real impact, not just promises.
- ◆ **Capital & Valuation Support:** Helping you structure your IPO in a way that balances growth funding and investor confidence.
- ◆ **Investor Roadshows & Storytelling:** Positioning your company as a green

champion to both Indian and global ESG investors.

- ◆ **Post-Listing Support:** Guidance on reporting, compliance and maintaining investor trust.

Whether you are a solar panel manufacturer, green steel producer, or eco-packaging startup, your story matters. The market is looking for companies that combine profitability with purpose.

Reach us at info@indiaipo.in to start your Green IPO journey.

Because in today's market, going green is not just good for the planet—it's good for business too.





“The next generation of wealth will come from companies that save energy, recycle waste and respect nature.”



IPO

“Experience the power of our IPO expertise and take your business to new heights”

GET IN TOUCH:



Corporate Office: 807-808, 8th Floor, D-Mall, Netaji Subhash Place, Pitampura, Delhi-110034

Disclaimer:

IPO World by India IPO offers research-backed insights on IPOs, capital markets, entrepreneurship for informational and educational purposes only. India IPO is not a SEBI-registered advisor and readers should consult licensed professionals before acting on any content. While accuracy is prioritized, India IPO assumes no liability for decisions based on this magazine. All trademarks, brands and company names mentioned are owned by respective entities and used editorially without endorsement. Reproduction or redistribution of content without prior written consent is prohibited. Misuse or misrepresentation may lead to legal action. For permissions, contact: info@indiaipo.in