



IPOs in India

FY 2025-26

May 2026

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Executive summary

The year marked a historic milestone for India's primary equity markets with 108 companies raising INR 1.76 trillion through IPOs (Initial public offer). This continued momentum from last year reflects the broadening issuer base as well as growing depth of Indian capital markets.

Private equity (PE) backed listings increased significantly to 35 per cent of total issuances from 28 per cent in FY 2024-25¹, signalling accelerated exit activity by promoter investors amid favourable market conditions. However, the average listing day gains in the current year declined sharply to 8 per cent from 28 per cent in the previous year¹ indicating a more cautious and selective approach adopted by subscribers to fresh issues.

From a sector perspective, more than half of the capital raised was concentrated in financial services and consumer discretionary sectors.

Although, FY 2025-26 witnessed record breaking activity in IPOs, funds raised remained at similar levels as previous year. Amid global volatility impacting equity markets, investor sentiment continued to lean towards quality driven issuances with pricing discipline playing central role. Overall, we are witnessing our primary equity markets transition from an exuberance led capital raising wave to a more mature value-driven capital flow.

Source: ¹KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only

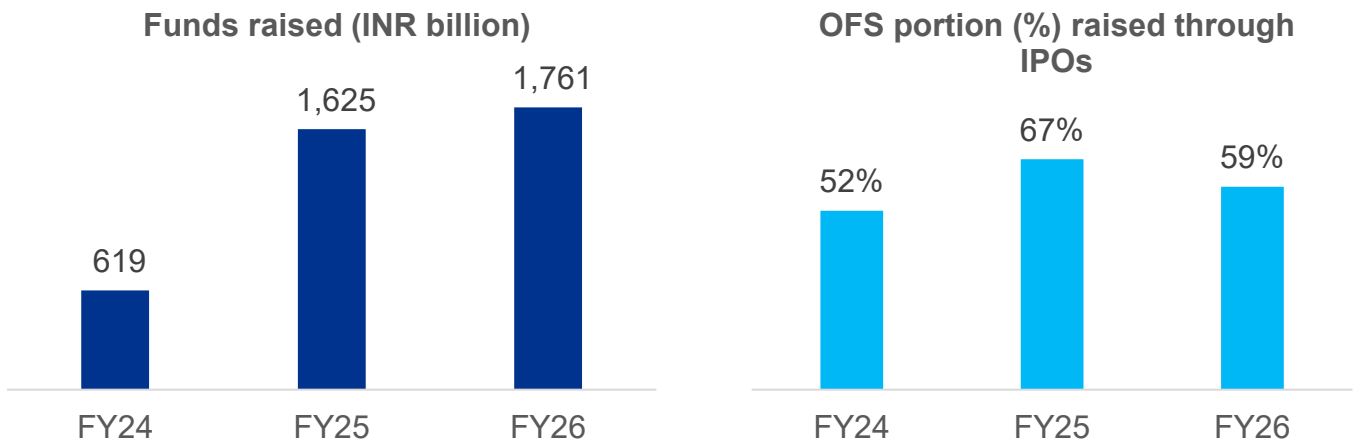
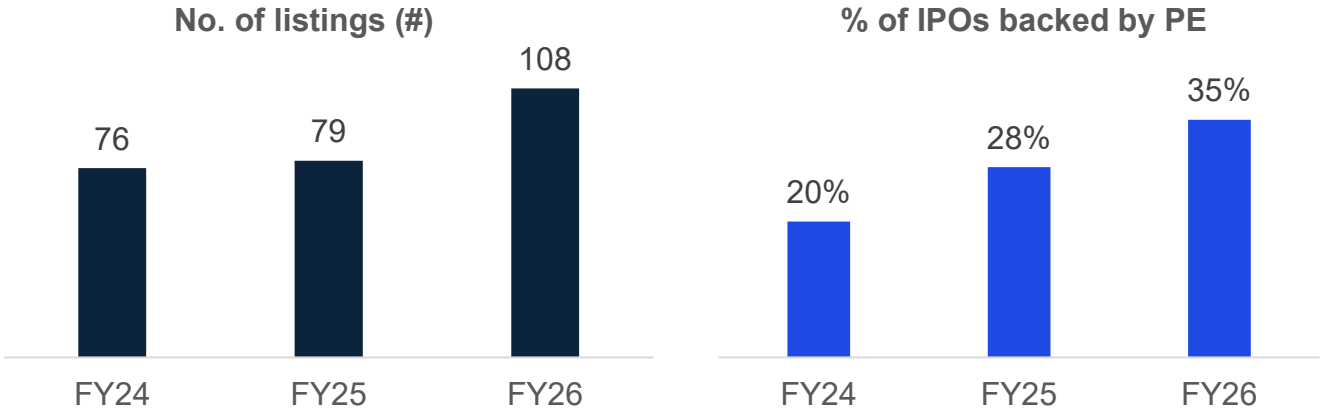
IPO Action in FY 2025-26



Source: KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only; # OFS – Offer for sale

FY 2025-26 records highest-ever IPO activity

- FY 2025-26 witnessed a sharp increase in IPO listings to 108, the highest ever, reflecting broad pipeline of issuers accessing public markets
- PE backed listings increased to 35 per cent¹, indicating greater monetisation by long term PE investors and improved market receptivity to PE exit stories
- Total funds raised increased marginally to INR 1,761 billion¹, suggesting the growth in IPO count was largely driven by *mid sized and smaller issues
- OFS led fundraising accounted for 59 per cent of the total funds raised in this year¹, underscoring the fact of ongoing stake monetisation by existing shareholders

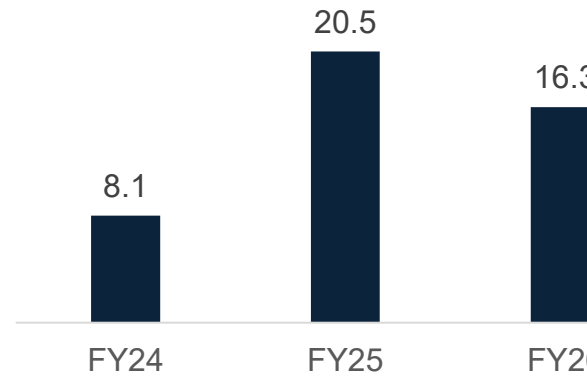


Source: ¹KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only; *Issue sizes are categorised by funds raised: Nano (<₹500 INR mn), Micro (₹500–5,000 INR mn), Small (₹5,000–20,000 INR mn), Mid (₹20,000–70,000 INR mn), and Large (>₹70,000 INR mn).

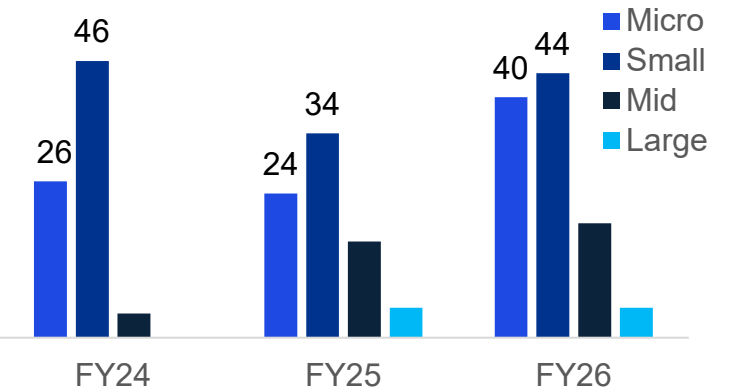
IPO listings and fundraising maintained in FY 2025-26

- Average issue size declined to INR 16.3 billion as compared to INR 20.5 billion last year¹, indicating that on an average smaller issues dominated IPO listing, even as overall IPO activity remained strong
- The number of micro and small IPOs increased by 45 per cent in current year, with 84 micro issues and small issues in current year as compared to 58 in the previous year¹, reflecting broader market access for emerging companies
- Average listing gains dropped significantly to 8 per cent in current year from 28 per cent in the previous year¹, as market sentiment turned cautious with investors becoming more selective in the wake of secondary volatility
- Micro, small, mid and large issues, all witnessed lower average listing gains with gains in range of 5–16 per cent

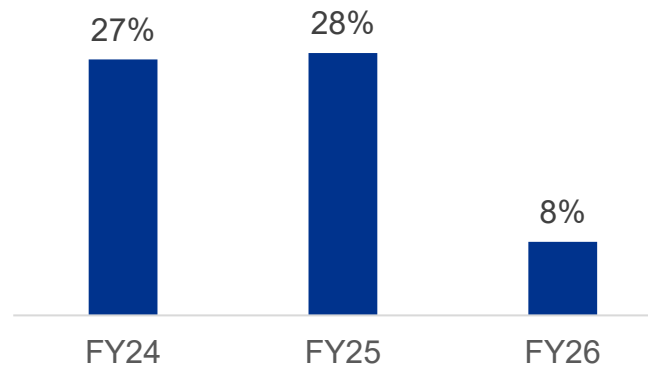
Average issue size (INR billion)



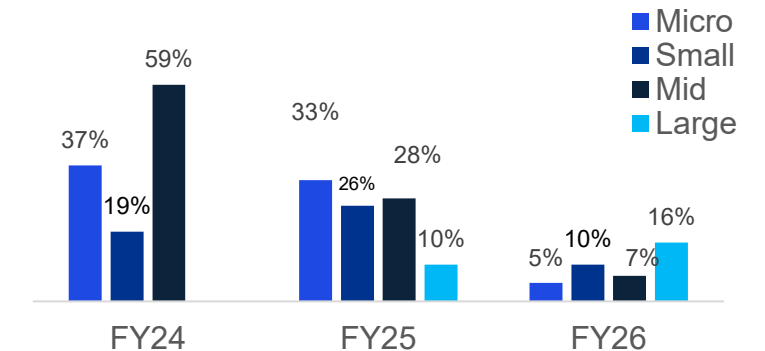
IPOs categorised basis *issue size (#)



Average listing gain (%)



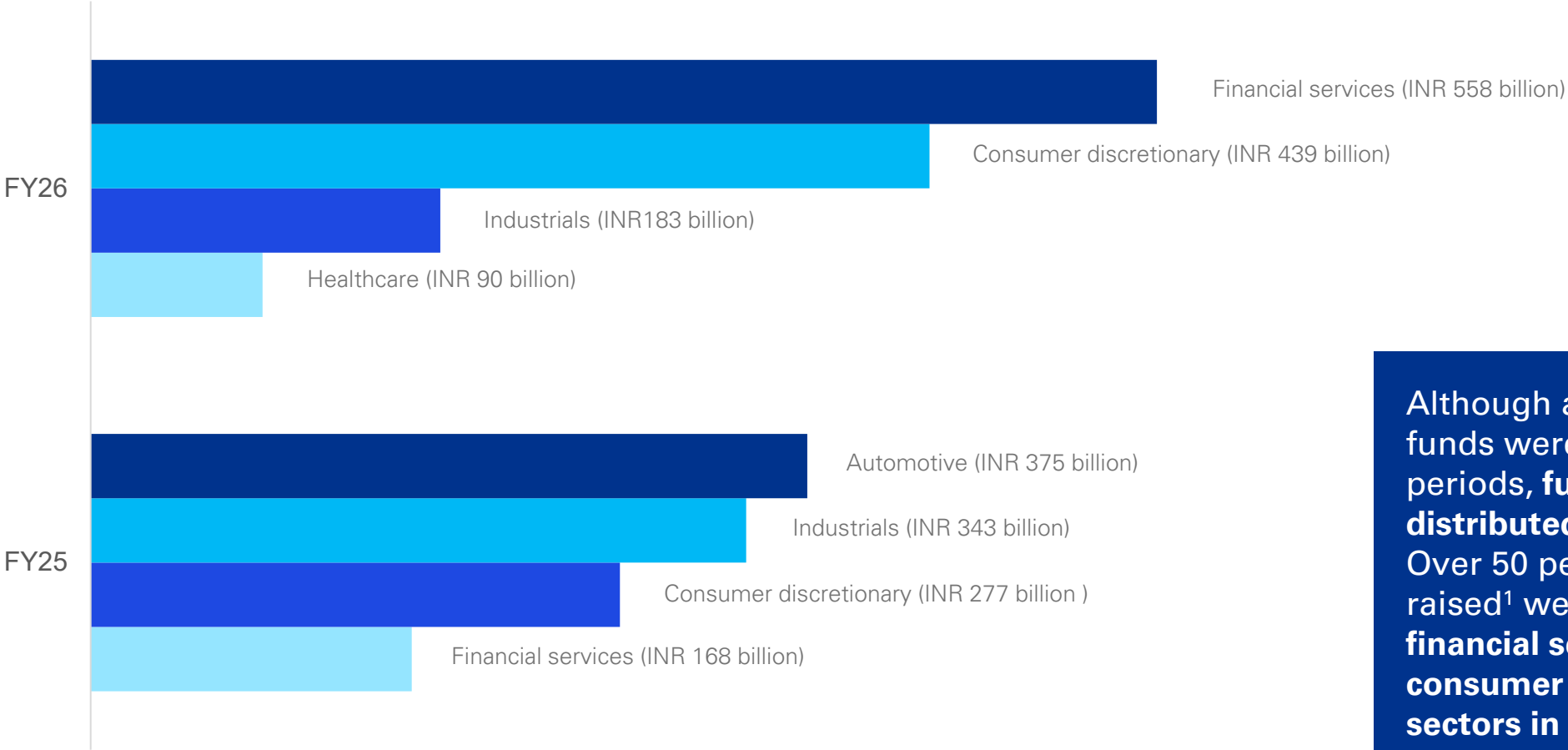
Average listing gain (%) witnessed across various Issue sizes



Source: ¹KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only; *Issue sizes are categorised by funds raised: Nano (<₹500 INR mn), Micro (₹500–5,000 INR mn), Small (₹5,000–20,000 INR mn), Mid (₹20,000–70,000 INR mn), and Large (>₹70,000 INR mn).

Fundraising shows a skew towards financial services in FY2025-26

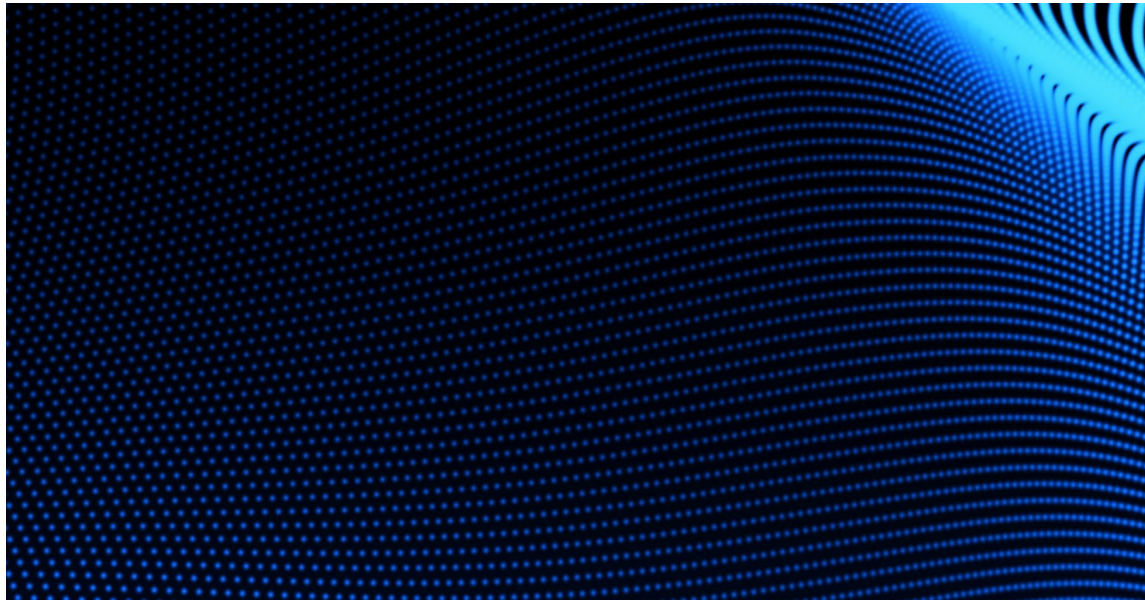
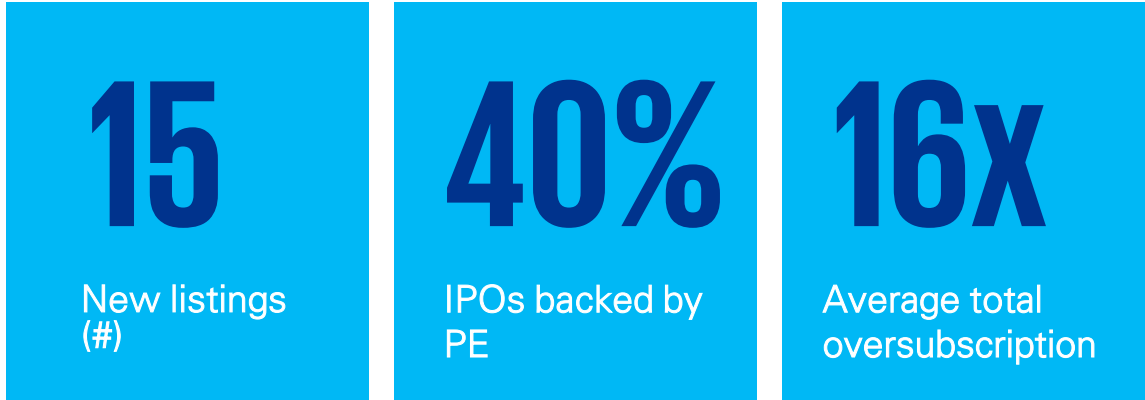
Sector wise breakup of funds raised through IPO listing



Although a similar quantum of funds were raised in both periods, **funding is unevenly distributed in FY 2025-26¹**. Over 50 per cent of funds raised¹ were **concentrated in financial services and consumer discretionary sectors in the current year.**

Source: KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only

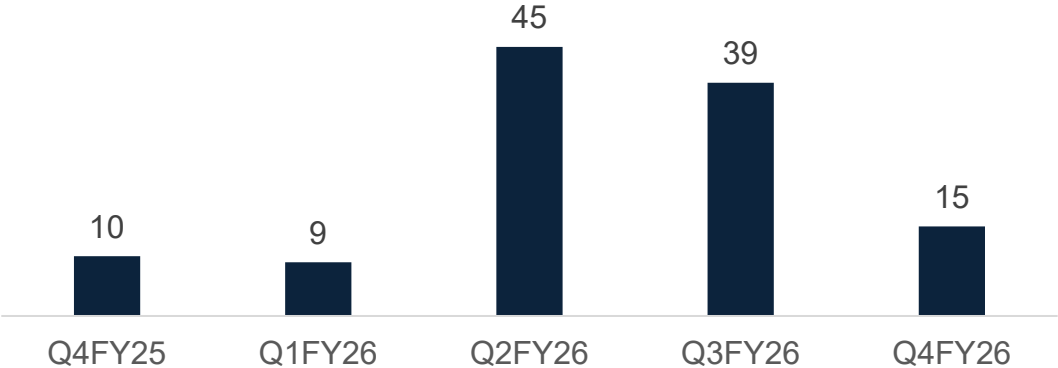
IPOs in Q4 FY2025-26



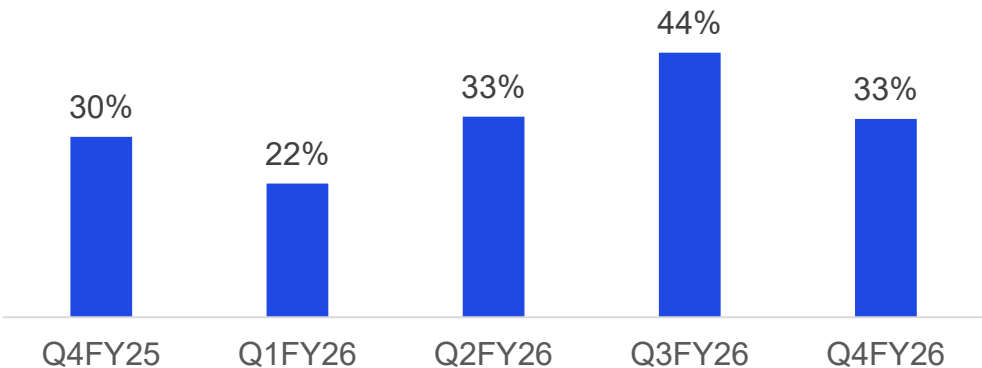
Source: KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only

External volatility impacts IPO landscape in Q4 FY2025-26

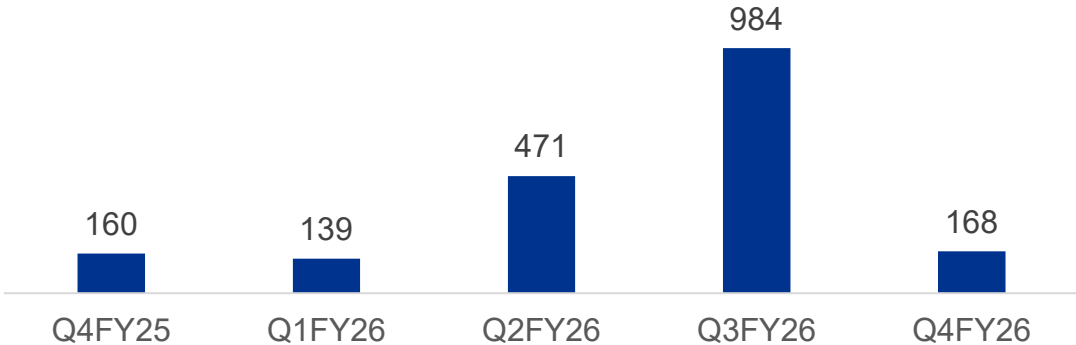
No. of listings (#)



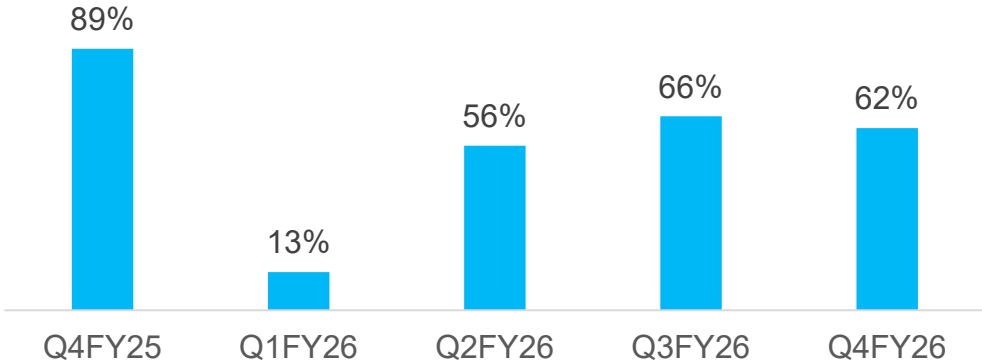
% of IPOs backed by PE



Funds raised (INR billion)



OFS portion (%) raised through IPOs



Source: KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only

Recent SEBI updates

Source: KPMG in India analysis based on data from SEBI, NSE, BSE; IPO data for mainboard listing only

SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS (ICDR) Regulations, 2018

Circular date	Summary of amendment	Impacts
9 September 2025	<ol style="list-style-type: none"> Revision in offer for sale eligibility: Equity shares or compulsorily convertible securities acquired through court/tribunal/government u/s 230-234 of Companies Act, 2013, may be offered for sale in an IPO, provided the underlying business/capital existed for at least 1 year before approval Additional investor classification as promoters: Capital contribution for promoters are now also permitted from AIF's, foreign VC investors, scheduled commercial banks, public financial institution, IRDA registered insurance companies and certain non individual public shareholders holding ≥ 5 per cent of post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s)] SEBI has also enhanced and simplified disclosure requirements in Schedule VII (disclosures In a placement document) 	<ol style="list-style-type: none"> These amendments give companies a flexibility in IPO structuring by allowing offer for sale of shares acquired through approve restructuring schemes Overall, it helps the companies in raising capital and increases transparency
1 December 2025	<ol style="list-style-type: none"> Anchor investor allocation rules revised for IPO through the book building process: <ul style="list-style-type: none"> For allocation up to INR.250 Cr - 2 to 15 investor s, each within minimum INR.5 Cr. allotment For allocation above INR.250 Cr- 5 to 15 investors for the first INR.250 Cr, and 15 additional investors for every additional INR.250 Cr or part thereof Minimum allotment- INR. 5 crore each. Mandatory reservation within the anchor investor portion: <ul style="list-style-type: none"> 40 per cent of the anchor investor portion must be reserved 33.33 per cent for the domestic mutual fund (MFs) 6.67 per cent for life insurance companies and pension funds. 	<ol style="list-style-type: none"> The amendments give companies greater flexibility in anchor investor allocation These amendment majorly benefits the IPO users and helps to improves stability, price discovery and credibility of anchor book It also helps in the smoother IPO execution.
16 March 2026	<ol style="list-style-type: none"> SEBI has introduced the requirement to submit a draft abridged prospectus at various stages of the public issue process to ensure simplified and early investor disclosures Mandatory QR codes and web links in offer documents and advertisements enhance digital access to key IPO information such as the red herring prospectus and price band details A strengthened lock in enforcement mechanism allows depositories to mark securities as 'non transferable' where technical lock in is not feasible, ensuring strict compliance and reducing issuer risk. 	<ol style="list-style-type: none"> These amendments majorly push companies toward a digitally efficient, investor friendly, and compliance secure IPO process, improving both issuance quality and regulatory confidence Strengthening the enforceability of lock-in provisions in respect of pledged shares, and improving the timing and accessibility of abridged prospectus disclosures.

SEBI Contracts (Regulation) Amendment Rules, 2026

Circular date	Summary of amendment	Impacts																												
13 March 2026	<p>1. The timelines to achieve the minimum public shareholding as prescribed below shall be applicable to all the companies listed or proposed to be listed</p> <table border="1" data-bbox="351 394 1696 1319"> <thead> <tr> <th data-bbox="351 394 637 572">Post-issue market capitalisation (at offer price)</th> <th data-bbox="637 394 963 572">Minimum public offer (MPO) at listing</th> <th data-bbox="963 394 1174 572">Minimum public shareholding (MPS) at listing</th> <th data-bbox="1174 394 1696 572">Timeline to achieve 25% public shareholding</th> </tr> </thead> <tbody> <tr> <td data-bbox="351 572 637 718">Up to INR 1,600 crore</td> <td data-bbox="637 572 963 718">At least 25% of each class/kind of equity shares or convertible debentures</td> <td data-bbox="963 572 1174 718">25%</td> <td data-bbox="1174 572 1696 718">Not applicable (already compliant)</td> </tr> <tr> <td data-bbox="351 718 637 801">INR 1,600 crore – INR 4,000 crore</td> <td data-bbox="637 718 963 801">Public offer equivalent to ₹400 crore</td> <td data-bbox="963 718 1174 801">Resultant percentage</td> <td data-bbox="1174 718 1696 801">Increase to 25% within 3 years from listing</td> </tr> <tr> <td data-bbox="351 801 637 915">INR 4,000 crore – INR 50,000 crore</td> <td data-bbox="637 801 963 915">At least 10% of each class/kind</td> <td data-bbox="963 801 1174 915">10%</td> <td data-bbox="1174 801 1696 915">Increase to 25% within 3 years from listing</td> </tr> <tr> <td data-bbox="351 915 637 1029">INR 50,000 crore – INR 1 lakh crore</td> <td data-bbox="637 915 963 1029">Public offer equivalent to INR1,000 crore and at least 8%</td> <td data-bbox="963 915 1174 1029">≥ 8%</td> <td data-bbox="1174 915 1696 1029">Increase to 25% within 3 years from listing</td> </tr> <tr> <td data-bbox="351 1029 637 1175">INR1 lakh crore – INR 5 lakh crore</td> <td data-bbox="637 1029 963 1175">Public offer equivalent to INR 6,250 crore and at least 2.75%</td> <td data-bbox="963 1029 1174 1175">≥ 2.75%</td> <td data-bbox="1174 1029 1696 1175"> <ul style="list-style-type: none"> • If <15% at listing → 15% within 5 years and 25% within 10 years • if ≥15% at listing → 25% within 5 years </td> </tr> <tr> <td data-bbox="351 1175 637 1319">More than INR 5 lakh crore</td> <td data-bbox="637 1175 963 1319">Public offer equivalent to INR 15,000 crore and at least 1%</td> <td data-bbox="963 1175 1174 1319">≥ 1%</td> <td data-bbox="1174 1175 1696 1319"> <ul style="list-style-type: none"> • If <15% at listing → 15% within 5 years and 25% within 10 years • if ≥15% at listing → 25% within 5 years </td> </tr> </tbody> </table>	Post-issue market capitalisation (at offer price)	Minimum public offer (MPO) at listing	Minimum public shareholding (MPS) at listing	Timeline to achieve 25% public shareholding	Up to INR 1,600 crore	At least 25% of each class/kind of equity shares or convertible debentures	25%	Not applicable (already compliant)	INR 1,600 crore – INR 4,000 crore	Public offer equivalent to ₹400 crore	Resultant percentage	Increase to 25% within 3 years from listing	INR 4,000 crore – INR 50,000 crore	At least 10% of each class/kind	10%	Increase to 25% within 3 years from listing	INR 50,000 crore – INR 1 lakh crore	Public offer equivalent to INR1,000 crore and at least 8%	≥ 8%	Increase to 25% within 3 years from listing	INR1 lakh crore – INR 5 lakh crore	Public offer equivalent to INR 6,250 crore and at least 2.75%	≥ 2.75%	<ul style="list-style-type: none"> • If <15% at listing → 15% within 5 years and 25% within 10 years • if ≥15% at listing → 25% within 5 years 	More than INR 5 lakh crore	Public offer equivalent to INR 15,000 crore and at least 1%	≥ 1%	<ul style="list-style-type: none"> • If <15% at listing → 15% within 5 years and 25% within 10 years • if ≥15% at listing → 25% within 5 years 	<ol style="list-style-type: none"> 1. These amendment overall benefit the companies for better price discovery, uniform treatment of shares and smoother compliances for the company dealing in capital market 2. Aims to improve market liquidity, transparency, and uniform treatment of share classes.
Post-issue market capitalisation (at offer price)	Minimum public offer (MPO) at listing	Minimum public shareholding (MPS) at listing	Timeline to achieve 25% public shareholding																											
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SEBI LODR Regulations, 2015

Circular date	Summary of amendment	Impacts								
26 June 2025	<ol style="list-style-type: none"> Listed companies are mandatorily required to follow RPT industry standards for providing minimum information to the audit committee and shareholders while seeking approval of related party transactions It standardizes the content, format, and disclosures required for RPT approvals to improve transparency, consistency, and informed decision making. Disclosures categorization as basic information, additional information for 7 types of transaction and material transactions. 	<ol style="list-style-type: none"> The objective of these industry standards is to provide a standard format for minimum information to be provided to the audit committee and shareholders for approval of RPT's in order to strengthen internal data collection, documentation, and review process for RPT approval. 								
13 October 2025	<p>SEBI has updated the framework for minimum information to be provided to the audit committee and shareholders for approval of Related Party Transactions (RPTs). The key changes are as follows:</p> <ol style="list-style-type: none"> Transactions with a related party, whether individually or cumulatively during a financial year, up to 1 per cent of the annual consolidated turnover or ₹10 crore (whichever is lower) shall be disclosed in accordance with Annexure 13A These disclosure requirements shall not apply to transactions not exceeding ₹1 crore during a financial year. 	<ol style="list-style-type: none"> The objective of this framework is to reduce the compliance burden for smaller and routine related party transactions and to fully exempt transactions up to ₹1 crore for faster approvals and operational flexibility 								
19 November 2025	<p>SEBI has introduced turnover linked materiality thresholds for approval of related party transactions involving subsidiaries, ensuring a proportionate and scalable framework which as follows:</p> <table border="1" data-bbox="377 1016 1472 1316"> <thead> <tr> <th data-bbox="377 1016 810 1102">Annual Consolidated Turnover of the Listed Entity</th> <th data-bbox="810 1016 1472 1102">Applicable Threshold</th> </tr> </thead> <tbody> <tr> <td data-bbox="377 1102 810 1153">Upto INR.20,000 crore</td> <td data-bbox="810 1102 1472 1153">10% of the annual consolidated turnover</td> </tr> <tr> <td data-bbox="377 1153 810 1239">Exceeds INR 20,000 crore but upto INR.40,000 crore</td> <td data-bbox="810 1153 1472 1239">INR.2,000 crore plus 5% of the annual consolidated turnover exceeding INR 20,000 crore</td> </tr> <tr> <td data-bbox="377 1239 810 1316">Exceeds INR 40,000 crore</td> <td data-bbox="810 1239 1472 1316">INR 3,000 crore plus 2.5% of the annual consolidated turnover exceeding INR 40,000 crore</td> </tr> </tbody> </table>	Annual Consolidated Turnover of the Listed Entity	Applicable Threshold	Upto INR.20,000 crore	10% of the annual consolidated turnover	Exceeds INR 20,000 crore but upto INR.40,000 crore	INR.2,000 crore plus 5% of the annual consolidated turnover exceeding INR 20,000 crore	Exceeds INR 40,000 crore	INR 3,000 crore plus 2.5% of the annual consolidated turnover exceeding INR 40,000 crore	<ol style="list-style-type: none"> Turnover-linked thresholds reduces the need for audit committee and shareholder approvals for smaller subsidiary RPT's Companies will need to apply stricter scrutiny, documentation and compliance with the revised RPT industry standards only for high value material transactions.
Annual Consolidated Turnover of the Listed Entity	Applicable Threshold									
Upto INR.20,000 crore	10% of the annual consolidated turnover									
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Exceeds INR 40,000 crore	INR 3,000 crore plus 2.5% of the annual consolidated turnover exceeding INR 40,000 crore									

SEBI LODR Regulations, 2015 & ESOP Regulations, 2021

Circular date	Summary of amendment	Impacts
8 September 2025 (ESOP Regulations)	<ol style="list-style-type: none"> Employee identified as promoter or part of the promoter group in the draft offer document Employees classified as promoters or promoter group in an IPO may continue to hold or exercise ESOPs/SARs granted at least one year before the draft offer document, subject to regulatory compliance. 	<ol style="list-style-type: none"> This enables continuity of ESOP/SAR benefits for promoter-employees post-IPO, supporting long-term retention and motivation
20 January 2026	<ol style="list-style-type: none"> Higher HVDLE threshold: Outstanding listed debt limit increased from ₹1,000 crore to ₹5,000 crore Governance Alignment : board, committee, RPT, and secretarial audit norms aligned with equity-listed companies Operational Relaxations: No Shareholders approval for intra-group sale of material subsidiary assets; IBC- related relaxations provided. Overall Objective: Reduced compliances for smaller debt issuers with stronger, uniform governance for larger HVDLEs. 	<ol style="list-style-type: none"> The increased threshold will significantly reduce enhanced compliance burden for many companies with the moderate debt levels Helps the company in faster internal restructuring and clear accountability.
10 March 2026	<ol style="list-style-type: none"> The amendment mandates that listed entities must credit securities in dematerialized form within 30 days of receiving investor service requests (along with required documents) for matters such as subdivision, split, consolidation, renewal, exchange, and issuance of duplicate certificates due to loss or damage. 	<ol style="list-style-type: none"> The amendment imposes a strict 30 days timeline for processing investor service requests, requiring companies to significantly strengthen internal co-ordination with RTA's and depositories.
7 April 2026	<ol style="list-style-type: none"> SEBI, through circulars dated 7 April 2026, granted one-time relaxations to support IPO-bound and listed companies amid volatile market conditions. The validity of SEBI observation letters expiring between 1 April and 30 September 2026 has been extended till 30 September 2026, eliminating the need for refiling. SEBI provided temporary relief from penal action for non-compliance with minimum public shareholding (MPS) requirements during the same period. 	<ol style="list-style-type: none"> SEBI's one-time relaxations are sentiment positive, as they signal regulatory support and reduce uncertainty for issuers and investors, helping stabilise the primary market considering weakness in securities market due to geo political tension in West Asia. By easing timeline and compliance pressure, the measures encourage better IPO timing and lower the risk of withdrawals, supporting overall market confidence

Acknowledgements

Analysis and content

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