

INDIA IPO INSIGHTS

OUR QUARTERLY NEWSLETTER



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The first half of 2026 has been a period of sharp contrasts for global capital markets. Artificial intelligence has emerged as the defining investment theme of the decade, attracting unprecedented levels of capital, driving trillion-dollar valuations, and fundamentally reshaping investor expectations around long-term growth. Companies across the AI ecosystem, from foundation models and semiconductors to cloud infrastructure and data centers, have continued to command significant investor interest, reinforcing a global technology-led investment cycle.

At the same time, geopolitical developments, particularly in West Asia and other key regions, have introduced renewed uncertainty into financial markets. Heightened volatility, concerns over energy prices, and shifting capital flows have influenced investor sentiment, prompting issuers to adopt a more measured approach toward accessing the public markets. While the appetite for high-quality businesses remains intact, the timing and execution of capital market transactions have become increasingly dependent on broader macroeconomic and geopolitical conditions.

Against this backdrop, India's capital markets have demonstrated resilience. Although IPO activity moderated during the first half of the year, the slowdown reflects a shift in market timing rather than a weakening of fundamentals. A robust pipeline of issuers spanning established businesses, new-age technology companies, and market-leading institutions continues to build, positioning India for a strong revival in primary market activity as market conditions stabilize.

In this edition, we examine the key developments shaping the IPO landscape during H1 2026. We analyze market activity, sectoral trends, subscription patterns, listing performance, and the evolving use of IPO proceeds by issuers. We also discuss significant regulatory developments, including the return of the open market buyback route and the lock-in framework applicable to IPO shareholders. Beyond the numbers, we explore the broader macroeconomic themes – from the global AI investment cycle to geopolitical developments – that are influencing capital allocation decisions and investor sentiment.

As companies continue to prepare for public listings in an increasingly dynamic environment, understanding these evolving trends is essential for issuers, investors, and advisors alike. We hope this publication provides valuable insights into the changing IPO landscape and supports informed decision-making for all market participants.



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THE AI INVESTMENT SUPERCYCLE

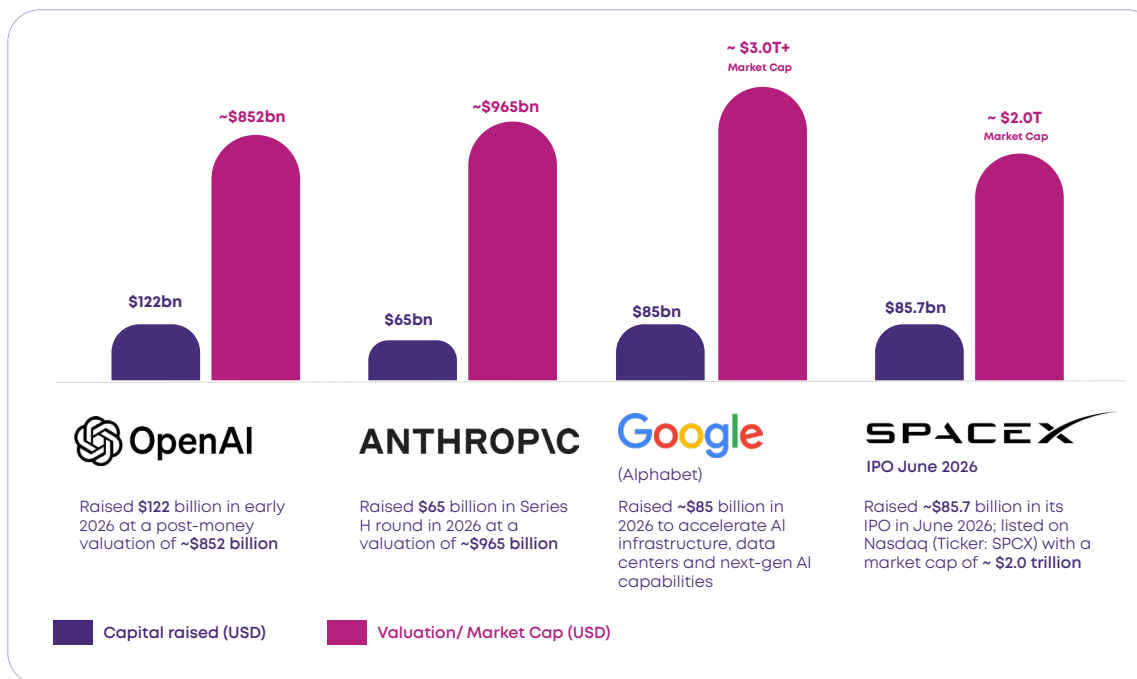
Record capital flows and trillion-dollar valuations

Artificial intelligence has become the dominant destination for institutional capital in the first half of 2026, evolving from an emerging technology theme into a defining force reshaping private capital markets and influencing valuation multiples across global equities. What is particularly striking is not only the scale of valuations, but also the unprecedented speed and concentration of capital flowing into AI and adjacent frontier technologies.

OpenAI and Anthropic have been at the forefront of this investment wave. OpenAI reportedly raised approximately USD 122 billion at a post-money valuation of USD 852 billion, while Anthropic

followed with a USD 65 billion Series H funding round, valuing the company at nearly USD 965 billion. The investment momentum has extended beyond private AI companies. Alphabet (Google) raised approximately USD 85 billion to accelerate investments in AI infrastructure, data centers, and next-generation AI capabilities, underscoring the scale at which established technology leaders are deploying capital to maintain their competitive edge.

Together, the three companies alone have attracted close to USD 275 billion of fresh capital.

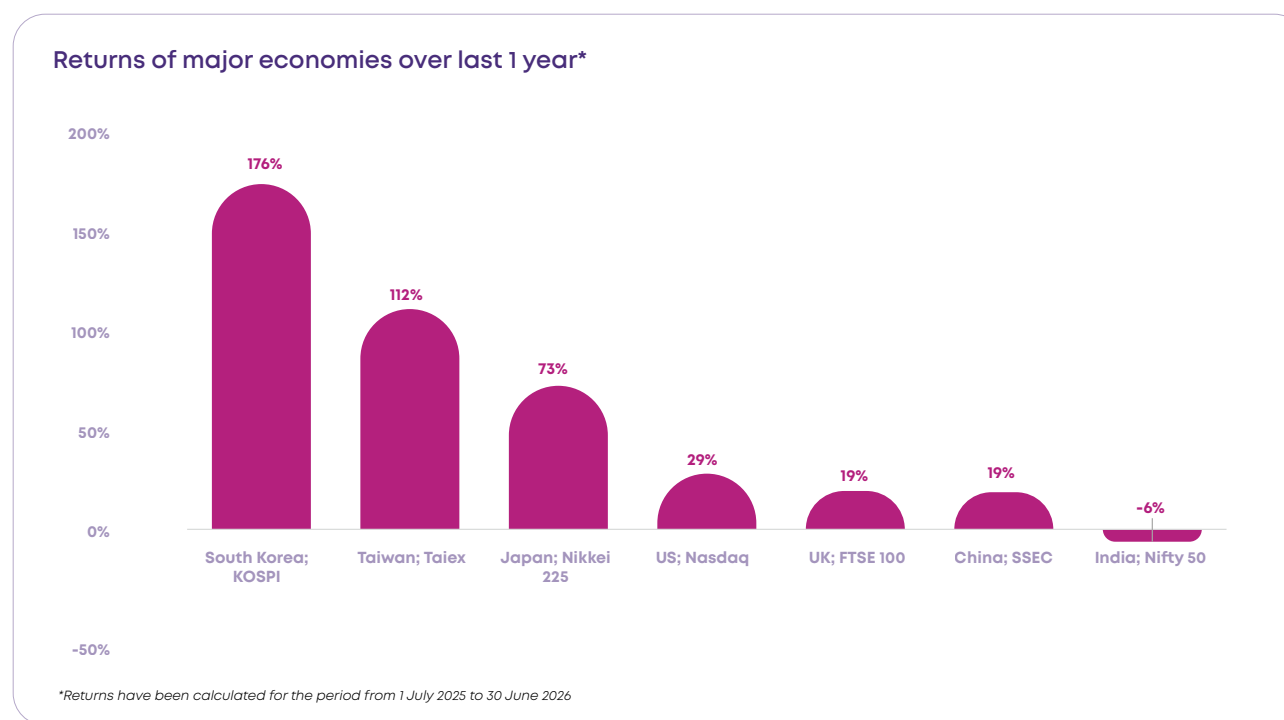


The enthusiasm for frontier technologies is equally evident in the public markets. SpaceX completed one of the largest IPOs in history in June 2026, raising approximately USD 85.7 billion and debuting with a market capitalization of around USD 2 trillion. Collectively, these transactions illustrate the extraordinary level of investor conviction in technologies expected to define the next decade, fueling record capital deployment, trillion-dollar valuations and sustained expansion in valuation multiples across the global technology sector.

An increasingly bifurcated global equity market

This unprecedented deployment of capital has altered global equity markets. Investors are rewarding companies with direct exposure to AI infrastructure in the form of semiconductor manufacturers, advanced chip designers, hyperscale cloud providers, networking businesses and AI software platforms, with premium valuations, and in many cases price-to-earnings and revenue multiples have expanded significantly as markets price in long-term structural growth rather than near-term earnings.

The result is an increasingly bifurcated landscape. Markets with significant exposure to AI infrastructure have substantially outperformed broader global indices. Taiwan, supported by its world-leading semiconductor manufacturing ecosystem, and South Korea, with its globally competitive memory-chip and electronics industries, have emerged as some of the biggest beneficiaries of the cycle, attracting sustained investor interest as demand for AI computing accelerates, while countries such as the USA, UK, and China, have continued to deliver reasonable returns.



India presents a contrasting picture. While its long-term fundamentals remain strong, supported by robust domestic consumption, expanding manufacturing and a resilient financial sector, the listed market has relatively lower representation of companies directly linked to the global AI infrastructure value chain, such as advanced semiconductor manufacturing, chip design and hyperscale computing. As a result, Indian equities continue to be driven primarily by domestic growth fundamentals rather than experiencing the AI-led valuation re-rating seen across several developed economies and North Asian markets.

GEOPOLITICS AND INDIA'S IPO PIPELINE

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Geopolitical developments reshape global capital flows

The escalation of tensions in West Asia has reshaped investor behavior across emerging markets – raising volatility, elevating energy-price risk and pushing institutions towards more defensive allocation. Rather than withdrawing, investors have turned more selective, concentrating in themes with the strongest structural growth and postponing sentiment-sensitive transactions.

In India, primary market activity has slowed as issuers and investors wait for stability before pricing large deals, while the underlying supply of quality issuers has continued to strengthen.

India's IPO Engine Continues to Build with Marquee Names

Behind the temporary slowdown lies one of the strongest IPO pipelines India has seen in years, with Draft Red Herring Prospectus (DRHP) filings continuing to accumulate despite near-term volatility. Among the most significant developments, the **National Stock Exchange (NSE)** filed its DRHP in June 2026, paving the way for what is expected to become one of the largest and most closely watched public offerings in Indian capital market history.

Alongside NSE, market attention also remains firmly focused on the anticipated listing of **Jio**, widely expected to be one of India's largest IPOs. While its timeline continues to be closely watched, Jio's eventual debut is expected to attract substantial domestic and international institutional participation. Together, these marquee offerings, alongside a growing pipeline of technology-led issuers, underscore the depth and quality of India's upcoming IPO landscape.

India's new-age technology companies, after some of the marquee listings in 2025, have continued to prepare themselves for the public markets, with the likes of **Zepto** have advanced through updated DRHP (UDRHP) filings, while companies like **Razorpay**, **Zetwerk** and **Cult.fit** submitted their DRHPs to SEBI, reportedly targeting ₹6,000, ₹5,000 and ₹4,000 crore respectively.

The Road Ahead: ₹3.2 Lakh Crore of IPOs Await the Right Market Window

Nearly **250 companies** have filed their DRHPs (through both the confidential and regular filing routes), representing a cumulative proposed issue size of over **₹3.2 lakh crore**, and are expected to access the capital markets over the coming quarters.

As market sentiment improves, the substantial pipeline of SEBI-reviewed IPOs is well positioned to drive a sharp revival in primary market activity. Marquee offerings such as **SBI Funds Management**, **Moneyview**, **NSE** and **Jio**, alongside high-growth companies including **Milky Mist**, **Zepto** and **Razorpay**, could make H2 2026 one of the busiest periods for India's capital markets in recent years.

Bottom line: The slowdown is about timing, not ambition – and a deep, high-quality pipeline leaves India poised for a robust second half.

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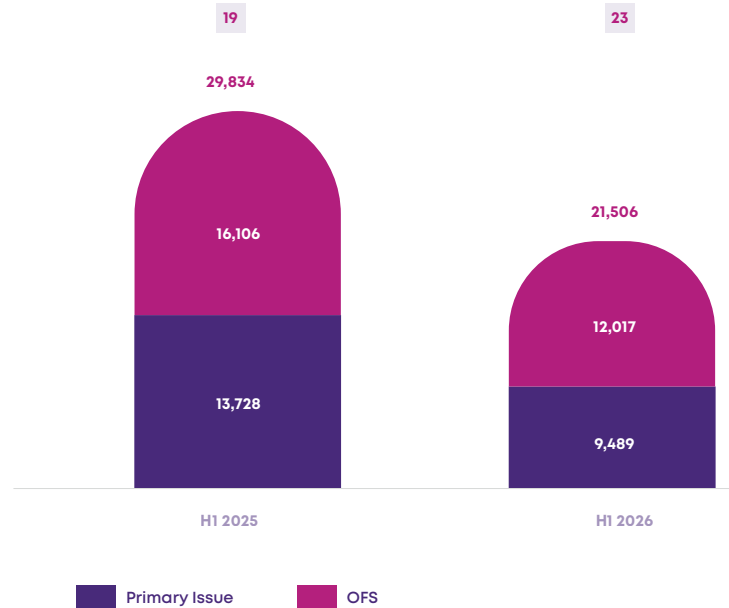
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Listings in Year 2026



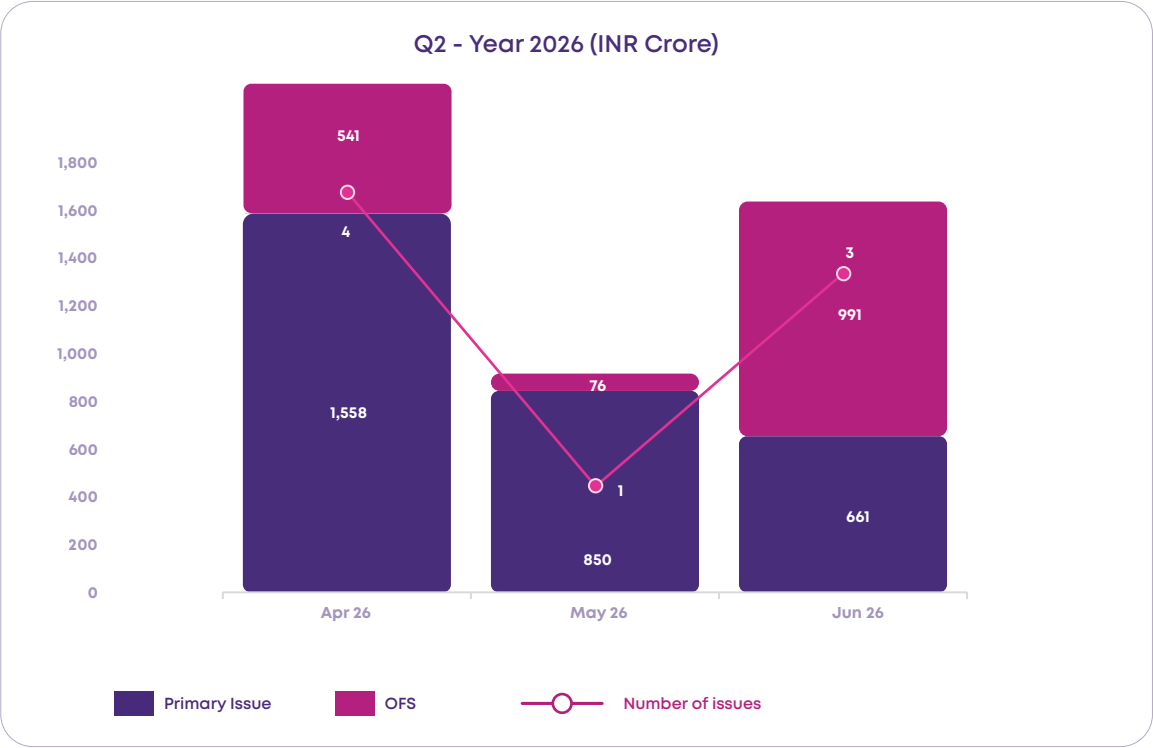
Primary issue and OFS:

OFS remained the dominant component across both periods, contributing ~54% of total proceeds in H1 2025 and rising further to ~56% in H1 2026. The primary issuance share correspondingly eased from ~46% to ~44%, indicating a continued tilt towards secondary sale of existing holdings over fresh capital raising by issuers.

Despite increase in the number of listings in the first half of 2026 against 2025, total funds raised declined by ~28%, from ~INR 29,834 crore to ~INR 21,506 crore. This was driven by a moderation in average issue size, which fell from ~INR 1,570 crore to ~INR 935 crore, reflecting a higher proportion of smaller offerings in H1 2026.



More Listings, Leaner Deals: Q2 of Year 2026 IPO Landscape



April emerged as the strongest month of the quarter, with four listings raising INR 2,099 crore. In comparison, May and June witnessed one and three listings, raising INR 926 crore and INR 1,652 crore, respectively.

Primary issue & Ofs:

Across the quarter, funds raised were skewed towards primary issuances, which contributed ~66% of the total. April and May were almost entirely primary-led, while June saw a larger Ofs component, with Ofs accounting for ~60% of that month's proceeds.

Number of listings

8

Primary Issue (INR Crore)

3,068

Offer for Sale (Ofs) (INR Crore)

1,609

Overall Issue Size (In INR Crore)

4,677

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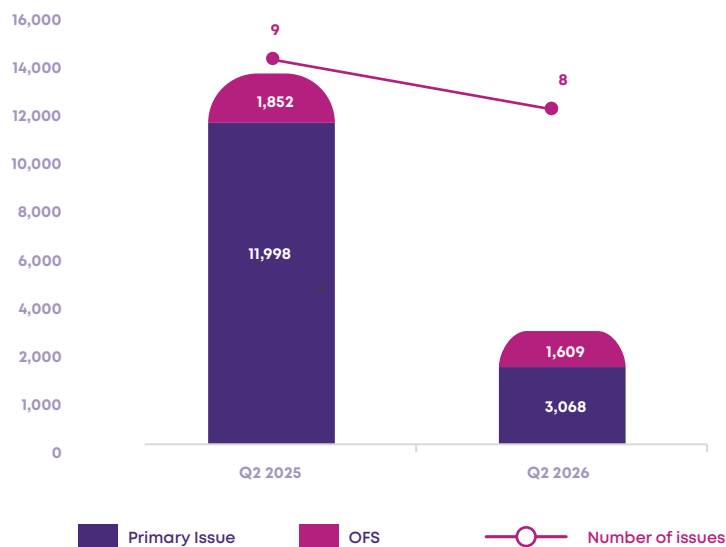
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Q2 - Year 2025 vs 2026 (INR Crore)

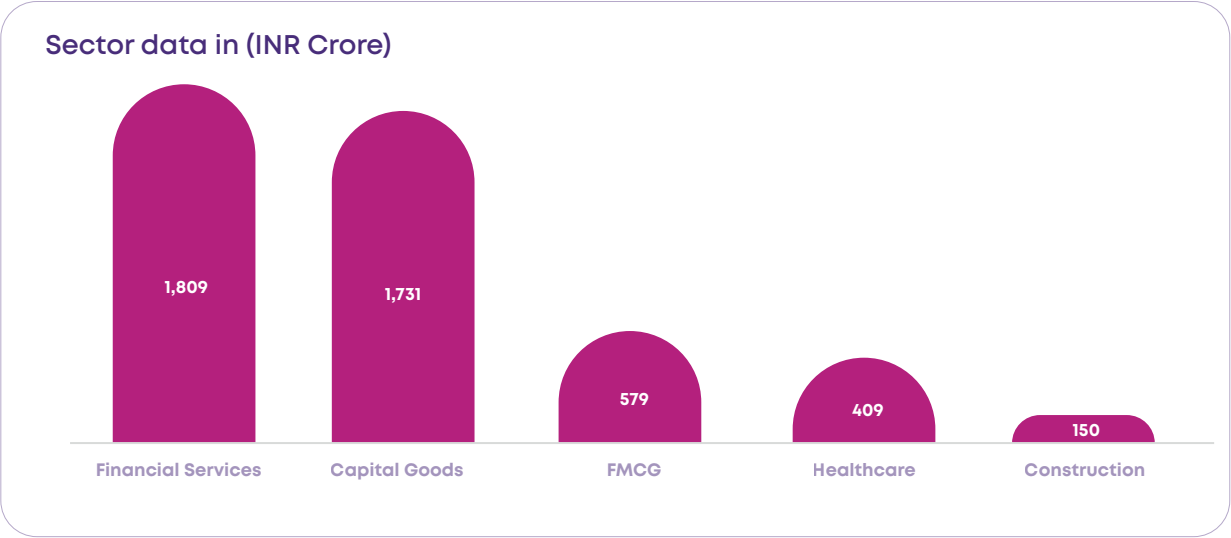


Q2 Year 2025 vs Year 2026

In Q2 2025, 9 listings raised ~INR 13,850 crore, significantly higher than Q2 2026, where 8 listings contributed only ~INR 4,677 crore. This sharp decline was driven by both fewer listings and smaller issue sizes, with the average issue size falling from ~INR 1,539 crore in Q2 2025 to ~INR 585 crore in Q2 2026.



Sectoral IPO Landscape Q2 2026



Financial Services

Financial Services emerged as the largest sector by funds raised during the period, contributing ~INR 1,809 crore, accounting for roughly 40% of the total across all sectors, and well ahead of every other segment.

Healthcare

Healthcare continued to witness new listings, with one IPO raising INR 409 crore during the quarter

Construction

The construction sector saw a modest contribution of ~INR 150 crore during the period, reflecting limited primary market activity in the segment.

Capital Goods

Capital goods followed as the second-largest contributor, raising ~INR 1,731 crore. The sector, which has consistently featured among the more active segments in prior periods, continued to see participation.

FMCG

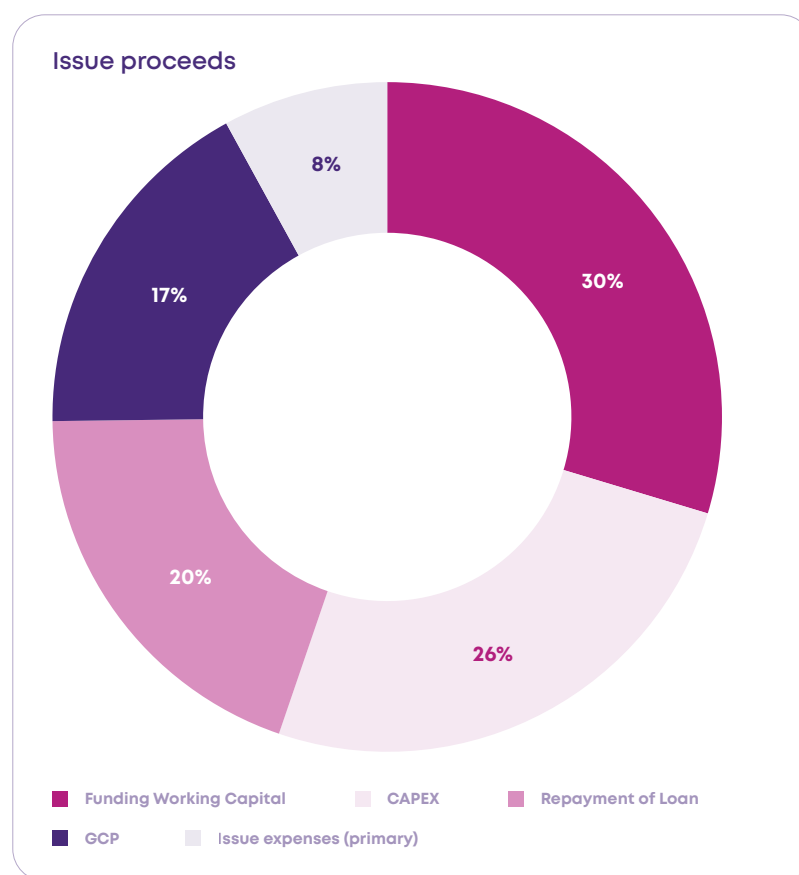
FMCG raised 579 crore from 2 issues, indicating subdued issuance activity in the consumer staples space during the period

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CLOSER LOOK: USE OF PROCEEDS

Follow the Money: What IPO Proceeds Reveal About Corporate Priorities

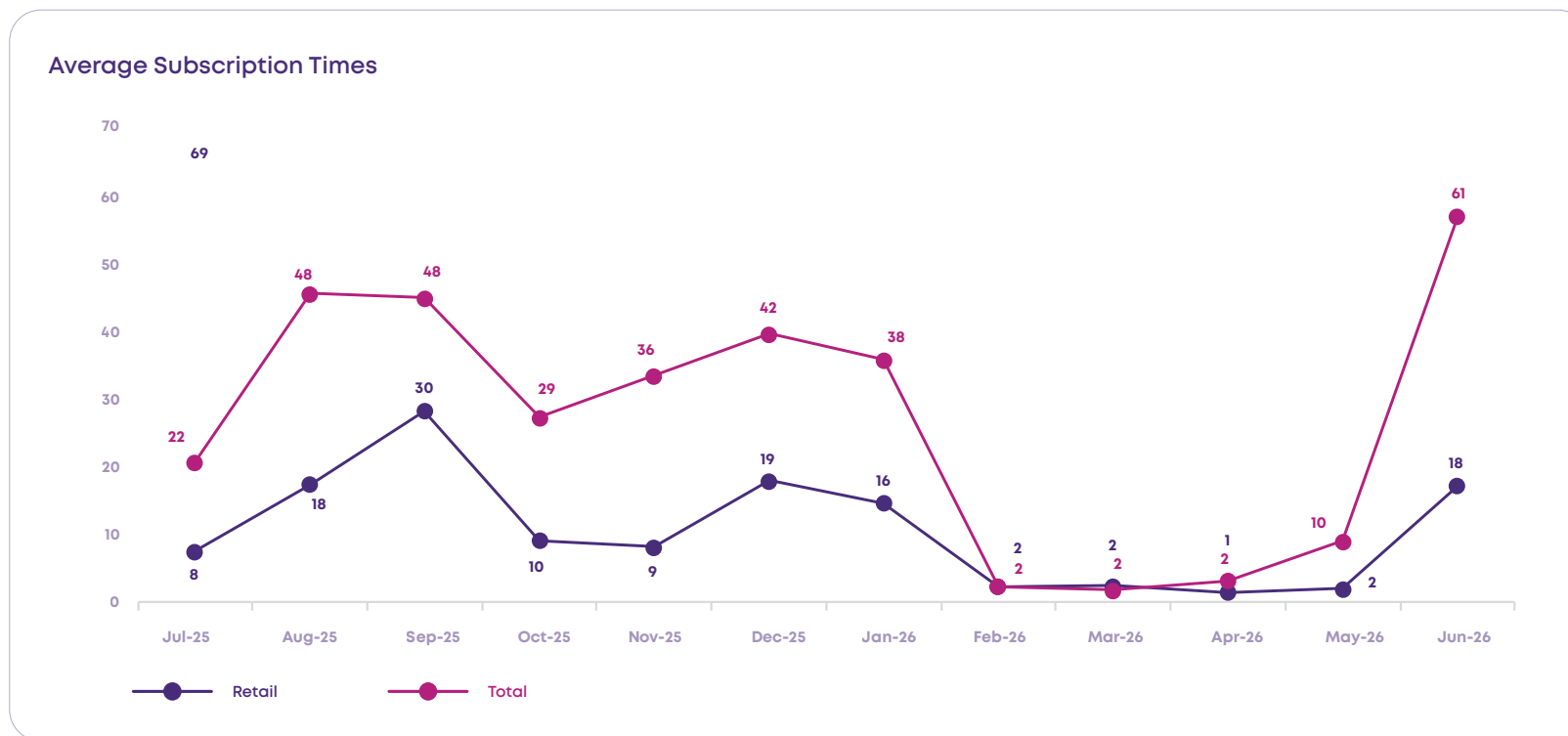
The deployment of funds raised highlights a clear tilt towards capital investment and general corporate flexibility, with capex and GCP together accounting for the bulk of proceeds.



- **Funding Working Capital (30%)** constituted the largest share of the proposed utilization, reflecting issuers' focus on strengthening liquidity, supporting business expansion, meeting lease obligations, investing in branding and marketing initiatives, and funding research and development, among other operational requirements.
- **Capital Expenditure (26%)** represented the second-largest allocation, underscoring the continued emphasis on expanding capacity, enhancing infrastructure, and supporting long-term growth initiatives.
- **Repayment of Loans (20%)** accounted for a significant portion of the proposed utilization (includes repayment of subsidiaries loans), indicating a balanced approach by issuers towards deleveraging while simultaneously investing in future growth.
- **General Corporate Purposes (17%)** continued to form a meaningful component of the proposed utilization, providing issuers with operational and strategic flexibility to address evolving business requirements and potential opportunities.
- **Primary Issue Expenses (8%)** represented the costs incurred by the company for undertaking the public issue, including fees payable to intermediaries and other expenses directly attributable to the offering.

INVESTOR DEMAND & LISTING PERFORMANCE

IPO Momentum Slows After a Strong 2025 Run



H2 2025 witnessed strong traction in IPO subscriptions, with issues averaging ~38x oversubscription. However, early 2026 saw a sharp moderation in participation, with February to April witnessing subscriptions of only ~2x, leading to a corresponding decline in listing gains.

Subscription levels rebounded sharply in June 2026, with average subscription rising to ~61x. This spike, however, was driven by a low base of only three listings during the month out of which — CMR Green Technologies, was subscribed ~127 times, and Hexagon Nutrition, subscribed ~54 times.



Average Subscription (Times)

Months	QIB	NII	Retail	Total
Jul-25	43	30	8	22
Aug-25	92	65	18	48
Sep-25	71	67	30	48
Oct-25	44	44	10	29
Nov-25	70	42	9	36
Dec-25	70	46	19	42
Jan-26	61	77	16	38
Feb-26	1	0	2	2
Mar-26	2	6	2	2
Apr-26	3	6	1	2
May-26	25	7	2	10
Jun-26	97	111	18	61



Qualified Institutional Buyers (QIBs)

QIB subscription levels remained robust through the second half of 2025, consistently exceeding 40x for seven months from July 2025 to January 2026.

However, participation saw a sharp decline from February 2026 onwards, driven by heightened global uncertainty impacting investor sentiment. Interest rebounded in June 2026 (~97x), though this was largely a low-base effect from only three listings rather than a broad-based recovery.

Non-Institutional Investors (NIIs)

The NII segment largely moved in tandem with QIBs, mobilizing comparable levels of capital across most months, reflecting broad-based participation from institutional and high-net-worth investors.

While February 2026 saw one of the lowest levels of interest, participation recovered sharply by June 2026 (~111x), concentrated in two out of the three listings — CMR Green (~127x) and Hexagon Nutrition (~54x) — and therefore a low-base effect rather than a genuine revival.

Overall subscription

Overall subscription levels highlight a shift from strong, broad-based participation in 2025 to a more cautious environment in early 2026. However, the mid-year uptick mirrors the recovery trend witnessed in prior years, signaling renewed momentum that could translate into higher participation over the coming quarters.

IPO Listing Gains Moderate Sharply in 2026 Compared to 2025

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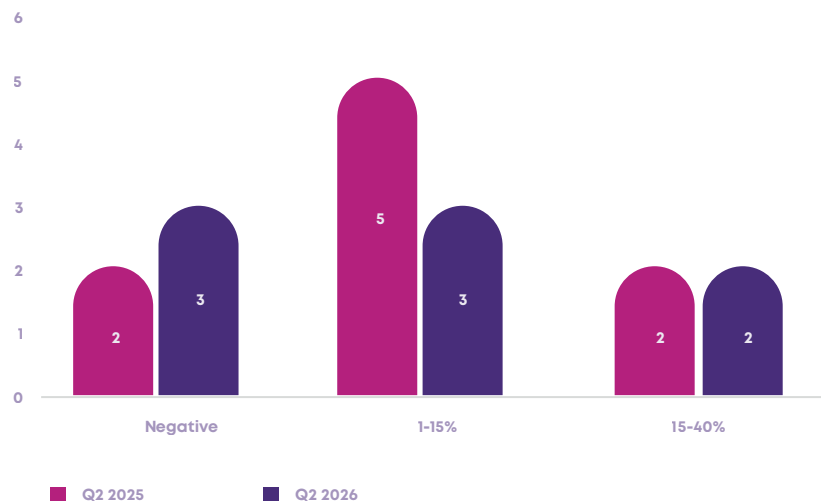
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Listing gain analysis – Q2 2025 vs Q2 2026



- Q2 2026 witnessed a comparatively better listing environment than the preceding quarter.
- While 3 companies have listed below their issue price (based on closing price on listing day), other listings have given meaningful listing gains.
- Around 62.5% of companies listed at a premium, with a meaningful share (~25%) delivering gains in the 15–40% band, highlighting better listing gains during the quarter, despite lower subscriptions.



LOCK-IN OF SHARES IN AN IPO

The basics

Who is a promoter? Under the SEBI (ICDR) Regulations, a promoter includes a person who is:

- named as such in the offer document
- identified by the issuer in its annual return
- who controls the affairs of the issuer directly or indirectly, or on whose advice, directions or instructions the board is accustomed to act.

A person acting merely in a professional capacity is not a promoter; nor is an institutional investor such as a bank, mutual fund, AIF or insurer treated as one simply for holding 20% or more of the capital.

What is lock-in? Lock-in is a restriction under which specified securities cannot be transferred for a stipulated period measured from the date of allotment in the IPO. It prevents pre-IPO holders from exiting immediately after listing, keeping their interests aligned with the company and its new public shareholders.



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How lock-in applies across three types of shareholders

	Promoter shareholders (Reg 16)	Non-promoter shareholders (Reg 17)	Employee shareholders
Foreword: IPO Market and Capital Activity Overview	The minimum promoter contribution of at least 20% of post-issue capital, plus any promoter holding above that minimum	The entire pre-issue capital held by persons who are not promoters.	Shares allotted to employees under the issuer's own ESOP or ESPS scheme.
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Closer Look: Use of Proceeds	The longer period keeps promoters invested while the capital they raise is actually deployed.	Fund holdings (VCF / AIF Cat I and II) follow their own minimum six-month lock-in, and approved employee-scheme shares are carved out.	Only the issuer's own scheme qualifies; foreign-parent-plan shares do not. A company may still impose a voluntary lock-in by contract.
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On capital expenditure.

The extended promoter lock-in applies where the majority of the issue proceeds is proposed to be used for capital expenditure. Importantly, it also includes the repayment of existing loans that were taken to fund such capital expenditure – so using IPO proceeds to repay capex-linked debt triggers the same longer lock-in as spending on the capital assets directly.

RETURN OF OPEN MARKET BUYBACKS

What has changed

From August 1, 2026, listed companies can once again buy back shares directly from the market through the stock exchanges. This reverses SEBI's earlier plan – based on the Keki Mistry committee's recommendations – to phase out the open market route entirely by April 2025 in favour of the tender offer route. The route now returns with tighter guardrails to keep execution disciplined and equitable.

66 days
strict window to complete the buyback

40%
minimum of earmarked funds must be utilised

Promoter freeze
promoter holdings locked at ISIN level during the buyback

Why it was phased out – and how the 2026 rules fix it

Inequitable treatment of shareholders: On the exchange, anonymous price-time order matching meant a single large seller could absorb the company's buy order, leaving retail shareholders out of the buyback altogether. To counter this, promoter and promoter-group holdings are now frozen at the ISIN level for the entire duration of the open market buyback, so the buying pressure the company creates absorbs shares only from public and retail investors.

Tax arbitrage: Earlier, the company paid buyback tax while the selling shareholder paid none – turning the route into a tax-free substitute for dividends and a cash-extraction tool for promoters and large investors. The Finance Act 2026 removes this by taxing buyback proceeds directly in the shareholder's hands as capital gains, uniformly across the tender offer, open market and ordinary trading routes, so the arbitrage no longer exists.

“Bait and switch” and price support: A leisurely six-month window let companies announce a large buyback to lift the price on retail enthusiasm, then buy only on dips and deploy just a fraction of the announced amount. The window has been cut to 66 working days, with a mandatory minimum utilisation of 40% of the earmarked funds – forcing companies to execute promptly and actually deploy the capital they commit.

By removing the tax advantage, compressing the timeline and sidelining promoters, SEBI has reshaped the open market buyback into a regulated, flexible tool for capital allocation.

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IPO journey and how Uniquis can help

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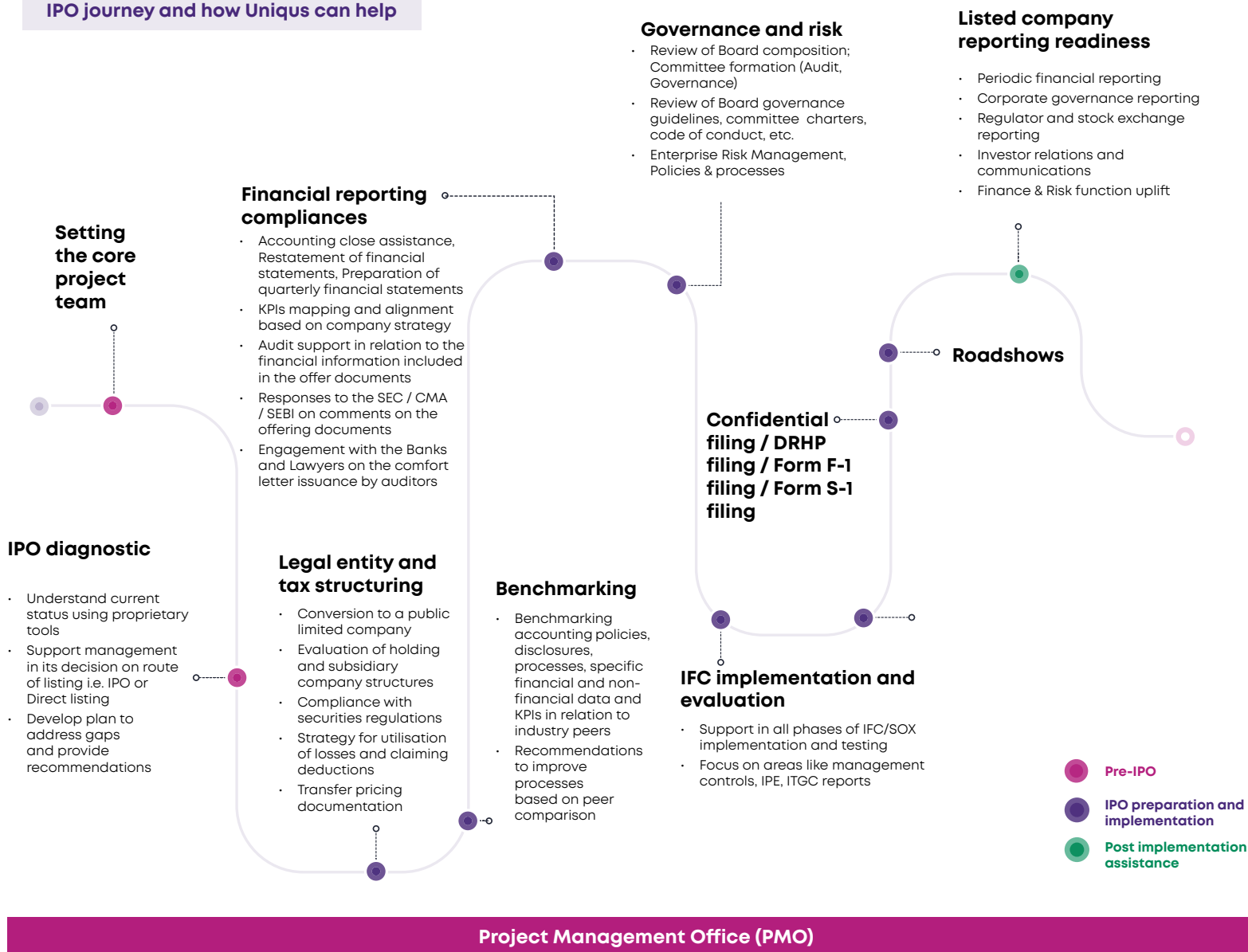
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IPO Readiness Assessment Tool

Use of proprietary IPO readiness toolkit including detailed checklist helps in preparation for each phase; planning, preparation and listing. This checklist is further segmented into 7 themes like strategy, finance, legal, tax, compliance, governance, investor relations.



Quarterly IPO Updates

Uniquis shares “IPO insights” quarterly thought leadership newsletter, ensuring we stay updated on the latest market trends and developments, and deliver informed solutions to clients. **We have an internal benchmarking data-base of filings of last three years which we use to assist clients in drafting process.**



Unify – IPO PMO Tool

Assists in real-time task updates and regular status tracking, ensuring your team stays aligned and informed at every stage. Tasks on critical path are tracked separately and impact of any delays in critical path tasks on other tasks is also monitored for corrective action.

About Uniquis Consultech:

Uniquis Consultech is an AI and global tech-enabled consulting company that specializes in Accounting & Reporting Consulting, Governance, Risk & Compliance, Sustainability & Climate Consulting, Tech Consulting, and Valuations. The Company is co-founded by consulting veterans Jamil Khatri and Sandip Khetan and backed by marquee investors such as Nexus Venture Partners, Sorin Investments, and UST.

Uniquis has a global team of 800+ professionals, led by 100+ Partners and Directors, across 13 offices in the USA, the Middle East, and India. The company serves more than 400+ clients, including marquee names in each of the markets it operates in.

Uniquis is committed to leveraging technology and an integrated global delivery model to provide best-in-class consulting services to its clients.

About Our Accounting & Reporting Consulting Services:

In today's dynamic business environment, organizations are continuously required to adapt to the dynamic shifts in accounting & reporting standards and regulations. Enhanced management reporting requirements and accelerated reporting timelines necessitate increased automation within the finance function. Special events, such as transitioning to new accounting standards, preparing for an IPO/capital market transaction or fulfilling the reporting requirements arising from an M&A transaction, introduce additional complexities and challenges for the finance function.

As a result, organizations need to transform their finance functions from time to time with a focus on people, processes, and technology. Our Accounting & Reporting Consulting (ARC) practice is designed to partner with the finance function navigate these challenges and with optimum use of our proprietary AI tools. Our teams function as an extension of your finance teams to execute your plans seamlessly.

We bring the necessary technical expertise, skills, technology, and bandwidth, enabling you to navigate your plans in real time without adding additional manpower costs within the organization.

A Team That You Can Trust To Deliver



Jamil Khatri
Co-Founder & CEO



Sandip Khetan
Co-Founder, Global Head
of Accounting & Reporting
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Anu Chaudhary
Partner, Global Head of
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Ashish Gupta
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