Evolution of Indian
IPO & Fund Raising

1995 → 2025 | Market Evolution, SEBI Reforms & Future Outlook

June 17, 2026

₹1.53L Cr

IPO Funds Raised (2025)

207M

Demat Accounts (2025)

Top 3

Global IPO Market Target

MARKET EVOLUTION

Phase 1: 1990s–2010 | Phase 2: 2010–2025

Phase 1 — Foundation & Reform

Pre-SEBI Strengthening (1990s – 2010)

- **Manual Processes & Weak Disclosures**

  IPO market operated without modern regulatory oversight

- **Harshad Mehta Scam → SEBI Empowered**

  1992 crisis catalyzed creation of robust capital market regulator

- **Demat & E-Trading Adopted**

  Physical shares replaced — settlement modernised

- **Book-Building Method (2000)**

  Market-driven price discovery replaced fixed pricing

- **QIB & Anchor Investor Framework**

  Institutional depth formalised in primary markets

Phase 2 — Explosive Growth

Digital Era & Retail Boom (2010 – 2025)

- **39M → 185M Demat Accounts**

  2019 to 2024 — retail democratisation of capital markets

- **2021 — The Unicorn IPO Wave**

  Zomato, Nykaa, Paytm, Policybazaar list on Indian exchanges

- **108 Mainboard IPOs (2025)**

  ₹1.53 lakh crore raised — record global fundraising year

- **SME IPO Explosion**

  NSE Emerge & BSE SME drove ₹2,212 Cr+ from Gujarat alone

- **OFS-Led Liquidity Shift**

  63% of 2025 proceeds were Offer For Sale (PE/promoter exits)

SEBI's REGULATORY FRAMEWORK

SOWILO CAPITAL ADVISORS LLP

How SEBI built world-class primary market infrastructure

Disclosure & Governance

- ICDR Regulations — comprehensive issue norms
- Mandatory DRHP review & risk factor standardization
- Restated financials with peer review auditors
- T+6 → T+3 listing timeline (world's fastest)

Investor Protection

- ASBA & UPI-based IPO applications
- Price band & book building transparency
- Anchor investor framework for price stability
- Monitoring of end-use of IPO proceeds

SME & Startup Ecosystem

- SME exchanges launched 2012 (NSE Emerge / BSE SME)
- REITs, InvITs & SPAC-like structures enabled
- Profitability relaxation for new-age tech companies
- Reduced lock-in: 3 yrs → 18 months for promoters

★ **Result: India now operates one of the most advanced, transparent, and investor-friendly IPO frameworks globally**

LANDMARK IPO CASE STUDIES

SOWILO Capital Advisors LLP

Practical evolution of India's IPO market in action

2021	₹15,000 Cr	63%	₹2,212 Cr
IPO Wave Year	Coal India (2010)	OFS Share (2025)	Gujarat SME IPOs (2025)

ZOMATO

2021 | Tech / Food Delivery

No Identifiable Promoter

Pioneered the professionally managed company listing under reformed SEBI norms — no traditional promoter declared.

💡 *Opened the door for PE/VC-heavy tech firms to access public markets*

PAYTM

2021 | Fintech

PE/VC-Heavy Ownership

Founder equity heavily diluted across multiple funding rounds. Significant institutional & PE/VC shareholding pre-IPO.

💡 *Highlighted governance complexity of multi-round funded startups*

NYKAA

2021 | D2C / Beauty

Balanced Promoter + PE

Founder-led company with strong PE participation. Demonstrated coexistence of promoter control and institutional ownership.

💡 *Blueprint for founder-led IPO with institutional co-investors*

★ **SEBI reforms directly enabled startup and professionally managed company listings — modernising India's primary market**

FUTURE OUTLOOK

India IPO Market — Next Decade Perspective

📈 Massive IPO Pipeline

₹2.5 lakh crore of startup IPOs in pipeline. India's primary market momentum is structurally intact.

🎯 Investor Selectivity Rising

Markets now prefer profitability, unit economics & governance. Speculative listings face pricing pressure.

🏗 Sector Diversification

Manufacturing, Financial Services, Green Energy & New-Age Tech driving next wave of listings.

🌏 Top 3 Global IPO Market

India positioned to become a top-3 global IPO destination — driven by deep retail participation and regulatory maturity.

Final Takeaway: India's IPO market is evolving from a "growth story" into a "mature capital market" — on par with global peers.

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