



# Record Highs in the Indian IPO Market

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**Subject Preference:** GS Paper III (Economy – Capital Markets, Investment Models)

- **The Basics:** An Initial Public Offering (IPO) is when an unlisted company offers its shares to the public for the first time to raise capital.
- **Context (2024-25):** India raised a record **₹3.8 lakh crore** through 701 IPOs.
- **Key Drivers:**
- **Financialization of Savings:** Retail investors are moving from Gold/FDs to equity via Demat accounts (16 crore+).
- **Regulatory Reforms:** SEBI's **T+3 listing cycle** (shortening the time from IPO close to trading) has increased liquidity.
- **SME Boom:** Small and Medium Enterprises are tapping markets for growth, decentralizing wealth creation beyond conglomerates.