

India's First Pioneer in
SME & Microcap Exchange
Focused Wealth Creation



November 2025



SME & Microcap SUMMARY

Executive Summary:

Capital Market Update: November 2025

- In November 2025, India's capital markets (Nifty-50) witnessed record-high, continued FPI outflows, strong DII buying support, and a robust pipeline of high-profile Mainboard IPOs. Large caps and Mid cap outperformed while small caps & Micro cap underperformed in Nov-2025, as FPIs sold aggressively in the broader market and DIIs concentrated buying in quality large caps. This led to narrow market breadth: headline indices were strong, but a sizeable part of the Nifty 500 and small-cap universe remained under pressure.
- NIFTY 50 (large-cap benchmark) rose by about ~1.9% in Nov (hit new 52-week highs during the month), Nifty Midcap 100 rose by about ~2%, while Nifty small cap 100 & Nifty micro cap 250 dropped by about 3% & 2.8% respectively.
- Sector-wise IT, banking and defence led the uptrend, each rising 2-4% during the period. IT stocks were notably buoyed by trade deal optimism with the US, whereas Consumer and Utility sector underperformed broader indices.
- Foreign Portfolio Investors (FPIs) remained net sellers with outflow of ~17,500 Cr in Cash segment, but strong buying of ~77,083 Cr from Domestic Institutional Investors (DIIs) provided support during the month.
- Consumer spending remained robust in essential goods and rural segments, helped by lower GST rates on key categories. Key policy factors included ongoing GST reforms and an accommodative monetary stance by the RBI, all boosting domestic demand.
- The central bank has revised its FY26 growth forecast to 7.3% from 6.8% earlier, supported by robust demand driven largely by private consumption.
- Inflation ease: The CPI inflation in India for November 2025 was approximately 0.7%, a slight increase from the multi-year low of 0.25% in October 2025.

IPO Activity: November featured 10 SME IPOs on BSE and NSE raising ~Rs. 493 crores with an average listing day gain of ~11.25%. During the first 6 months of this financial year i.e. from Apr'25 to Sep'25, 132 IPOs listed at an average listing day gain of ~13%. The average listing day gain in the month of Oct'25 was ~11% which remained stagnant in Nov'25. Average listing gains dropped from 60% in 2024 to about 11% in Nov'25, with many listings now trading below their issue prices, reflecting increased investor scrutiny and market volatility.

12 Mainboard IPOs featured in the month of November with an average listing day gain of ~11.49%. 12 companies raise a whopping ~Rs. 33,000 crores, with just 2 companies Lenskart Solutions Ltd. and Billionbrains Garage Ventures Ltd. contributing to ~Rs. 13,900 crores. The first half of this financial year i.e. Apr'25 to Sep'25 saw a total of 57 IPOs listing at an average listing day gain of ~9%. The listing day gains in the month of Oct'25 alone was ~2% which further increased to 11.49% in Nov'25.

Global:

United States:

- The S&P 500 edged up ~0.13%, extending its seven-month winning streak despite a pullback from October highs. Nasdaq declined ~1.64% amid tech sector profit-taking. Small-cap performance was mixed.
- Russell 2000 fell initially but recovered later and ended the month up by 0.85%, while the S&P SmallCap 600 and MidCap 400 rose 2.51% and 1.92%, respectively, reflecting broader market strength beyond mega-cap stocks.

Eurozone:

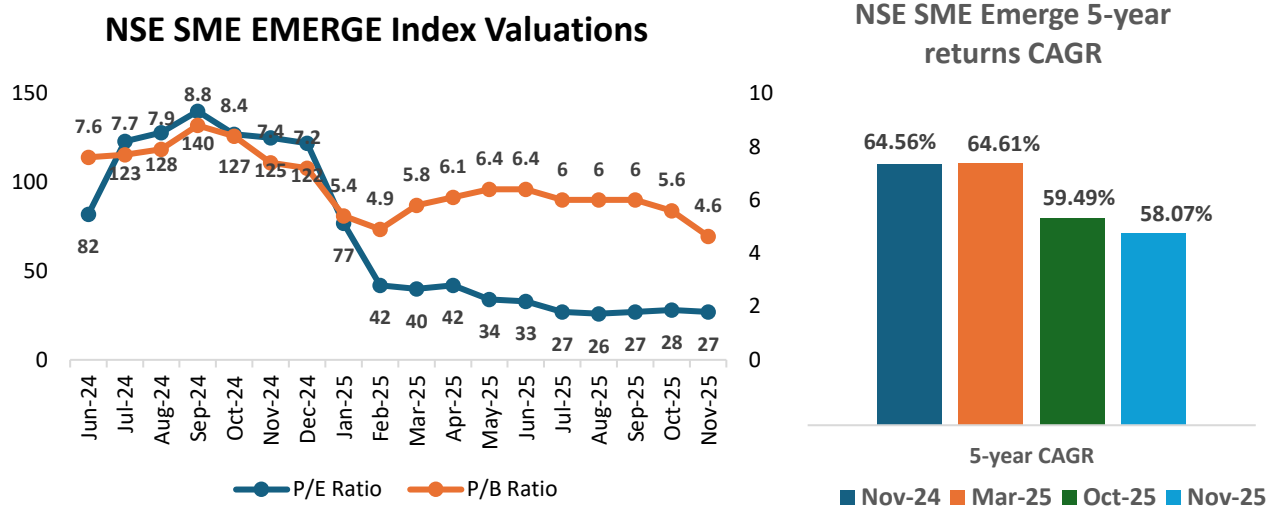
- European equities reached a high in November, with the EU50 index rising 0.11%. However, overall market sentiment remained cautious, weighed down by industrial challenges and currency volatility, with the industrial sector contributing most to the month's weakness.

Asia:

- Asian markets delivered a mixed performance in November, shaped by several significant developments. Japan's Nikkei 225 dropped about 4.12%, weighed down by expectations of potential Bank of Japan rate hikes, yen appreciation, rising bond yields, and broader economic softness.
- Sentiment was further pressured by U.S. tech pullbacks that hit AI and semiconductor stocks, deteriorating Japan-China relations, fading hopes of U.S. rate cuts, and sustained foreign outflows - though markets steadied later in the month after dovish signals from the Federal Reserve.
- In China, the manufacturing PMI slipped to 49.2, marking an eighth straight month of contraction despite marginal improvements in production and new orders, while services activity also softened amid weak domestic demand and slowing exports.
- Meanwhile, India's Nifty 50 and Nifty Midcap 100 gained approximately 1.87% and 2.0% in November; however, the Nifty Smallcap 100 and Nifty Microcap 250 dropped around 3.0% and 2.8% respectively, showing uncertainty at smaller companies. This divergence indicates a clear shift in investor preference toward larger, more stable companies, while risk appetite for smaller and more volatile segments weakened during the month.

SME Market:

NSE SME Emerge Valuation and Return:



The chart demonstrates how the Price-to-Earnings (P/E) multiples within the SME index have recalibrated. This valuation adjustment is not merely a consequence of the recent decline in share prices; it also reflects the robust earnings growth delivered by leading SME companies. These results underscore the ability of SMEs to meet their business projections and provide strong visibility and guidance for the future.

The 5-year stock returns CAGR was ~64.56% in Nov'24 and increased in Mar'25 at 64.61% then drifted to ~58.07% in Nov'25 signalling normalising of the rolling average as superior returns moved out of the calculation range. Additionally, it shows the effect of regulatory tightening in which SEBI raised the minimum investment amount to Rs. 2 lakhs, minimum profitability criteria, maximum limit on Offer for Sale (OFS) by promoters.

Robust & Attractive SME Stocks Valuations:

- **Valuations Stabilizing Amid Improving Liquidity:** By November 2025, the NSE SME Emerge index maintained its P/E multiple **around 26.95x**, signalling that the sharp correction from the December 2024 high of 148.76x has largely played out and little correction as comparing to October'25 (i.e. 28x).
- **Market Resilience:** Despite some IPOs falling below issue price, the overall SME segment displayed resilience, showing healthy investor confidence and demand for fundamentally strong smaller companies.
- **Growing Role in India's Growth Story:** Experts regard the SME IPO market as a cornerstone for broad-based capital formation and economic growth in India, indicating increasing maturity and market discipline in 2025.

Performance of SME-Listed Companies:

- **The NSE Emerge Index** continued downward in **November 2025**, losing **1.20% during the month** continuing the downward momentum. The monthly return in Oct'25 was 1.95%. Despite these short-term declines, **the five-year CAGR remains strong at 58.07%**, indicating that long-term confidence in SME earnings and growth prospects continues to underpin valuations.
- **Valuation multiples** for SME stocks remained almost similar. The median P/E ratio (all NSE SME listed company) stood at **18.37x**, while the median P/B ratio was recorded at **2.11x** in Nov'25.

Investor Enthusiasm Drives Oversubscription in November 2025 IPOs

Investor confidence in India's SME sector remained muted in November 2025, as highlighted by moderate oversubscription levels in recent IPOs. Here are the key takeaways:

Top Oversubscribed SME IPOs of November 2025:

 Gallard Steel Ltd	The most oversubscribed SME IPO in November, 2025, with a subscription of 375.54 times the issue size.
 WORKMATES	The 2 nd most oversubscribed SME IPO in November 2025, with a subscription of 141.38 times the issue size.
 Curis <i>Lifesciences Limited</i>	The 3 rd most oversubscribed SME IPO in November, 2025, with a subscription of 74.39 times the issue size.
 JAYESH LOGISTICS <i>Winning Together</i>	The 4 th most oversubscribed SME IPO in November, 2025, with a subscription of 65.59 times the issue size.

The momentum and subscriptions overall in the month of November remained moderate reflecting selective optimism among investors. It is important to note that not all oversubscribed IPOs go on to perform well in the long term and vice versa.

November 2025 SME IPO Listing Day Gains/Loss:

The month of November reflected stability in the downward momentum seen in October, with only 10 listings and average listing-day gains holding steady at around 11% in Nov'25.

The details of top listing day gains are provided below:

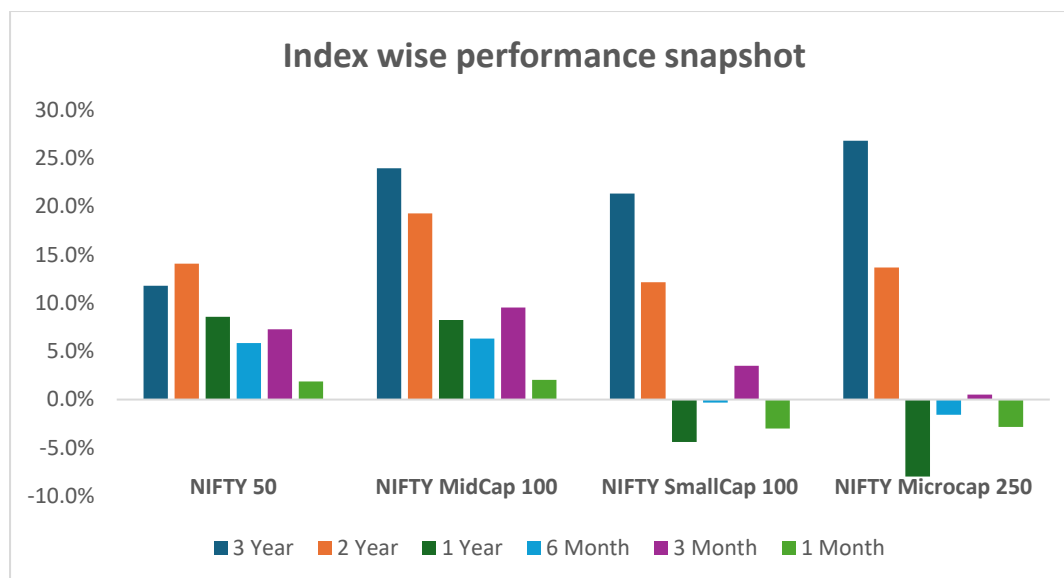
 WORKMATES	The highest listing gain, with a gain of 90.00%. The company's shares listed at Rs 387.60, which was significantly higher than the issue price of Rs 204.
 Gallard Steel Ltd	The 2 nd highest listing gain, with a gain of 48.73%. The company's shares listed at Rs 223.10, which was significantly higher than the issue price of Rs 150.
 Curis Lifesciences Limited	The 3 rd highest listing gain, with a gain of 14.14%. The company's shares listed at Rs 146.1, which was slightly higher than the issue price of Rs 128.
 Finance Buddha	The 4 th highest listing gain, with a gain of 10.56%. The company's shares listed at Rs 157, which was higher than the issue price of Rs 142.
 TradeUNO THINK FABRIC THINK TRADEUNO	The 5 th highest listing gain, with a gain of 2.11%. The company's shares listed at Rs 104.15, which was slightly higher than the issue price of Rs 102.

It is important to remember that listing day gains are not always an indicator of long-term performance. Investors should carefully consider the risks involved before investing in any IPO.

Overall, the IPO market has shown the presence of liquidity in the markets and investors' enthusiasm.

Micro Cap:

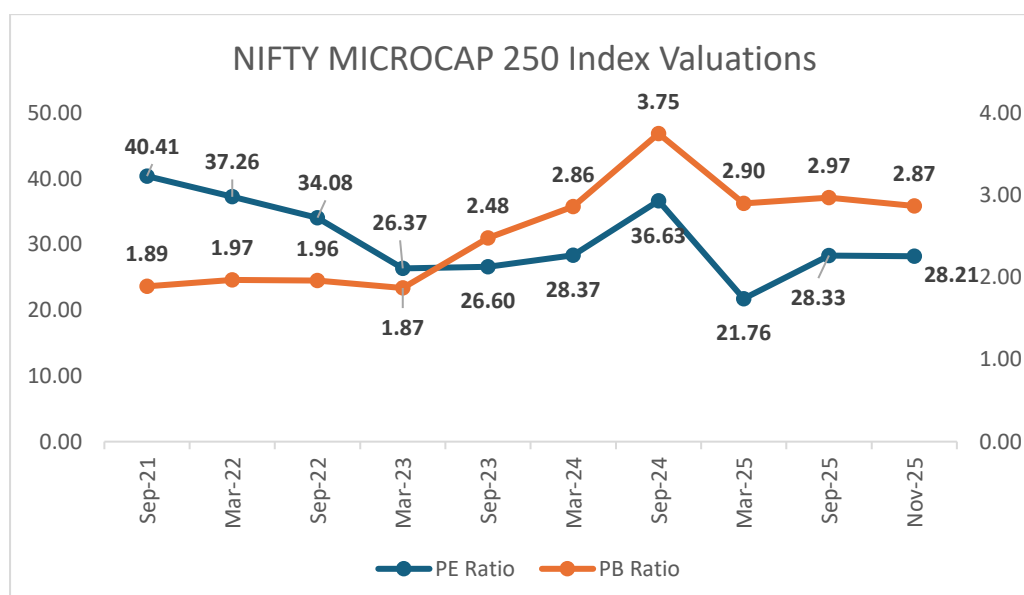
Mainboard Performance and Valuation Matrix during Nov-2025



Micro Cap Performance:

The Nifty Microcap 250 emerged as the top performer over the long term, outperforming large-cap, mid-cap, and small-cap indices, driven by strong liquidity, elevated retail participation, and a high-risk investment environment. However, its short-term momentum has softened, with 1-year and 6-month returns moderating and even turning negative.

Micro Cap Valuation Matrix:



IPO Activity of Mainboard IPO:

Top Oversubscribed Mainboard IPOs of November 2025:

	The most oversubscribed Mainboard IPO in November, 2025, with a subscription of 93.71 times the issue size
	The 2 nd most oversubscribed Mainboard IPO in November 2025, with a subscription of 73.25 times the issue size.
	The 3 rd most oversubscribed Mainboard IPO in November, 2025, with a subscription of 61.79 times the issue size.
	The 4 th most oversubscribed Mainboard IPO in November, 2025, with a subscription of 52.98 times the issue size.
	The 5 th most oversubscribed Mainboard IPO in November, 2025, with a subscription of 48.74 times the issue size.

November 2025 Mainboard IPO Listing Day Gains/Loss:

The listing day gains in Nov'25 were ~11% increasing from ~2% in Oct'2025 reflecting upward momentum.

The details of top listing day gains are as follows:

	The highest listing gain, with a gain of 33.03%. The company's shares listed at Rs 145 against the issue price of Rs 109.
	The 2 nd highest listing gain, with a gain of 27.20%. The company's shares listed at Rs 505, against the issue price of Rs 397.
	The 3 rd highest listing gain, with a gain of 23.10%. The company's shares listed at Rs 730, against the issue price of Rs 593.
	The 4 th highest listing gain, with a gain of 12.50%. The company's shares listed at Rs 135, against the issue price of Rs 120.
	The 5 th highest listing gain, with a gain of 12.00%. The company's shares listed at Rs 112, against the issue price of Rs 100.

It is important to remember that listing day gains are not always an indicator of long-term performance. Investors should carefully consider the risks involved before investing in any IPO. Approximately ~33,000 crores were raised by Mainboard IPOs in Nov'25; implying that there was strong participation in IPO fundraising.

Outlook for SME IPOs in 2025-2026:

The outlook for **SME IPOs in 2025–2026** remains broadly **moderate**, driven by more disciplined & transparent framework introduced by SEBI, diminishing liquidity and increased diligence.

Similarly, the outlook for **Mainboard IPOs in 2025–2026** is also **moderate**, driven by institutional and retail investor interest; however, elevated valuations continue to pose challenges.

Market Recovery and Growth: After a cautious start in early 2025, SME and Mainboard IPO activity is expected to pick up in the last quarter of the financial year, buoyed by improved liquidity, disciplined & transparent framework and business expansion of emerging enterprises.

In summary, India's economy in November 2025 was characterized by resilient growth, continued inflation moderation, and robust domestic demand, despite global uncertainties.

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