

Listing Euphoria or Lasting Value? A Comparative Analysis of SME and Mainboard IPO Performance in India

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Abstract

This study investigates the subscription demand, market adjusted listing day returns and one-year market adjusted returns of Small and Medium Enterprise (SME) and Mainboard initial public offerings (IPOs) in India and explains the factors that influence the one-year listing day returns.

The sample includes 291 IPOs comprising of 143 Mainboard IPOs and 148 NSE Emerge SME IPOs, listed on NSE between January 2015 and December 2024, where the issue size of the IPOs exceeds ₹1,000 crore and ₹30 crore, respectively. The returns have been adjusted for Nifty 50. Welch's t-test and Mann–Whitney U test are used to test group differences. The one-year returns are inferred using OLS (heteroskedasticity-consistent HC3 errors), median (quantile) regression, interaction model and a logit model for the probability of outperforming the index.

The findings indicate that the SME IPOs were on average over-subscribed by 97.4 times whereas the Mainboard IPOs were over-subscribed by 30.4 times ($p < 0.001$). 84.5% of IPOs on the SME segment and 71.3% of IPOs in the Mainboard segment outperformed the Nifty on the day of listing, with mean market-adjusted listing return for the two segments being 33.8% and 21.1% respectively (Welch $p = 0.008$, Mann–Whitney $p = 0.010$). The median one-year excess returns were similar across SMEs and non-SMEs (2.4% vs. -3.1%), while the median excess returns for SME IPOs were higher than non-SME IPOs (53.7% vs. 9.7%; Welch $p = 0.027$); the distributional difference was not significant (Mann–Whitney $p = 0.162$). Subscription, issue size, firm age and segment are not significant in relation to listing-day return and Nifty performance with regards to one year returns. The persistence of listing gains is some 2.5 times larger for SME IPOs.

Originality/value – This is one of the first research to compare both segments on a matched and 10-year long sample of data from the NSE, at two time horizons with market adjusted returns. It demonstrates that the premium for SMEs in the long run is a average effect, and not a "typical-investor" effect, because a small group of extreme winners causes the premium to be larger than it really is.

Keywords: Initial public offerings; SME IPOs; Underpricing; Long-run performance; Investor sentiment; NSE Emerge; India

1. Introduction

India is one of the most active IPO markets in the world and the SME segment has been the fastest growing in the country. SME listings saw a growth of over 87% in the last three years (FY23 – FY25) and the number of issues in the segment grew by more than six times and the money raised was more than forty times the 2015 figure, says a recent review of the segment (Attimani, 2026). The retail demand triggered several issues to be placed on subscriptions above 1,000, thus forcing the Securities and Exchange Board of India (SEBI) to release an advisory, and also in March 2025, to strengthen SME listing norms.

One question that has direct relevance to retail investors and regulators is whether the SME IPOs are offering differential rewards to investors as compared with Mainboard IPOs, and whether this is likely to be sustainable? Loughran & Ritter (1995) and Ritter (1991) identified two patterns: positive initial returns (underpricing) and long-run underperformance (Ritter & Welch, 2002). Generally, the evidence from India shows that the issues of mainboards are underpriced (Shukla & Shaw, 2023) and overperformed in the short horizon for SME issues

(Arora & Singh, 2021; Siwach et al., 2024). However, nearly every study on Indians takes a piecemeal approach, with varying windows and benchmarks, and ends before the SME boom of 2023–2024.

Three gaps follow. Second, very few studies have conducted such a comparison across the same exchange, the same decade with the same market adjustment between SME and Mainboard IPOs. Second, the long run evidence is mainly based on means and the SME returns are highly skewed, it remains unclear if the mean return for the typical SME investor is positive or negative. Third, there is no evidence that the correlation between euphoria on the listing day and performance after the listing is different for the two segments, which is important for investors who “flip” on the listing day — a practice that was found to be prevalent by SEBI (2024).

We address these gaps with a hand-collected sample of 291 NSE IPOs listed from January 2015 to December 2024. We ask four questions:

1. Does subscription demand differ between SME and Mainboard IPOs?
2. Do market-adjusted listing-day returns differ between the segments?
3. Do market-adjusted one-year returns differ, both at the mean and across the distribution?
4. Which issue and market characteristics explain one-year returns, and does listing-gain persistence differ by segment?

The study has three contributions. It offers a like for like decade-long comparison between both segments at two time horizons (Nifty 50 adjusted returns). It tests for mean effects and typical outcomes with non-parametric tests, quantile regression and a probability-of-outperformance model. It exemplifies that the persistence of listing gains is much higher in the SME segment and relates the investor sentiment theory (Baker & Wurgler, 2006; Ljungqvist et al., 2006) to the design of the SME segment reforms in India for the year 2025.

The rest of the paper is organised as follows. The institutional setting is described in Section 2. In Part 3, literature is reviewed and hypotheses developed. The data and methods are presented in Section 4, the results in Section 5, and the discussion and conclusion in Section 6.

2. Institutional background

India has two parallel tracks to public equity: the Mainboard, and the MSME-specific platforms, NSE Emerge and BSE SME, which was set up in 2012 by the Prime Minister's Task Force on MSMEs. The two routes vary in the group of people that vet the offer, the group of investors able to participate and the way that liquidity is supported (Table 1).

Table 1. Mainboard and SME IPO frameworks in India (pre-2025 rules unless stated)

Feature	Mainboard IPO	SME IPO
Post-issue paid-up capital	Minimum ₹10 crore	₹1 crore to ₹25 crore
Vetting of offer document	SEBI	Stock exchange
Minimum allottees	1,000	50
Underwriting	Not mandatory	Mandatory (100%)
Market making	Not mandatory	Mandatory for 3 years
QIB allocation	At least 50% (book-built)	Not compulsory
Minimum retail application	About ₹10,000–15,000	About ₹1 lakh (two lots from 2025)
Listing venue	Both exchanges	One SME platform

There are two characteristics that are important when it comes to pricing. Because the exchange reviews and approves the SME offer documents instead of SEBI, and few institutions participate in the issue, there will

probably be more information asymmetry. At the same time, the large minimum ticket aggregates the demand of the SMEs into the hands of high-net-worth and the experience of retail investors.

The SME boom that occurred in the 2023-2024 period resulted in a regulatory response. In November 2024, SEBI released a consultation paper and in March 2025, it issued a notice on the tougher regime. The reforms demand operating profits from at least ₹1 crore in the previous three financial years; 20% of issue size being capped for the offer-for sale; selling shareholders having 50% of their holding capped; the use of funds for general corporate purposes being capped at 15% of the issue or ₹10 crore; phase-in the lock-in of promoter's holdings over a minimum 3% contribution, and increase the minimum application size to 2 lots (Investing.com, 2025; The Hans India, 2025). In 2024, NSE, on its own, also placed a cap of 90% above the issue price on the opening price of SME IPOs on the day of listing. Our sample concludes in December 2024, thus reflecting the pre-reform regime, and affording a benchmark for assessing the reforms.

3. Literature review and hypotheses

3.1 Subscription demand

Oversubscription indicates investor demand and under rationing who receives shares. Rock's (1986) winner's curse model suggests that investors who lack information get bigger chunks of lower quality problems, so that the issuers underprice the problem to prevent it from being removed from circulation. Book-building theory (Benveniste & Spindt, 1989) suggests that the price of the offer will be a function of the portion of the demand that can be made public during the bidding process. Indian SME IPOs are oversubscribed due to the reputation of underwriters, the hot market (Arora & Singh, 2020), and underpricing expectations. Retail investors are also found to be sentiment investors rather than fundamental investors (Barber and Odean, 2008; Da et al., 2011) and SEBI's (2024) documents show that the more retail investors believe that the company will gain from its listing, the more they will submit applications. We anticipate that the demand multiples will be higher in SME as it is small, retail driven and very visible in booms.

H1. SME IPOs attract significantly higher subscription than Mainboard IPOs.

3.2 Listing-day returns

It is universal but can differ based on information asymmetries and sentiment. Some explanations refer to information asymmetry between issuers, underwriters and investors (Rock, 1986) and recent Chinese evidence indicates that policy uncertainty impedes underpricing more for SMEs (Zhang & Du, 2025), while the presence of sentiment investors willing to pay above the fundamental value of a security (Ljungqvist et al., 2006) hinders underpricing. Recent evidence links underpricing with investors' limited attention (Liu et al., 2023), with weaker financial literacy (Jia et al., 2024) and over-optimistic investors (Wu & Bu, 2024), and indicates that underpricing has increased globally during the COVID-19 (Zhang & Neupane, 2024). It is associated with subscription and grey-market sentiments in India (Krishnamurti et al., 2011), and, for SMEs, ownership concentration and board structure (Arora & Singh, 2025). The asymmetric-information argument and sentiment argument predict higher initial returns for SME issuers, which are younger, smaller and less closely regulated.

H2. Market-adjusted listing-day returns are significantly higher for SME IPOs than for Mainboard IPOs.

3.3 One-year returns

In developed markets, it is widely observed that Mainboard IPOs underperform in the long run (Ritter, 1991; Loughran & Ritter, 1995), and in India, mainboard IPOs also underperform in the long run (Shukla & Shaw, 2023; Deb & Banerjee, 2024). The evidence on Indian SMEs is ambiguous: Arora and Singh (2021) show that SMEs outperform over 6–12 months, while Siwach et al. (2024) show that SMEs perform worse after 36 months and better after 12 months. In a sentiment view, problems with the most euphoric listings are expected to be most solved, while a momentum view or information-revelation view predicts persistence (Ljungqvist et al., 2006). We test both mean and distributional differences in view of this ambiguity and the highly skewed returns of small firms.

H3. One-year market-adjusted returns differ significantly between SME and Mainboard IPOs.

3.4 Determinants of one-year performance

Potential determinants of listing-day return include sentiment or information revelation, subscription (demand), size of the issue and age of the firm (information asymmetry), and market return over the holding period, and segment. According to the Indian studies, the size of offers, hot markets, and the offering's time holding by the promoter are significant factors in determining the 36-month performance (Kumar & Sahoo, 2021), and listing gains and oversubscription are significant factors in determining the long-run returns of SMEs (Siwach et al., 2024). We also ask whether the persistence of listing gains varies across segments, suggesting that the information content in listing day prices varies across markets.

H4. One-year returns are significantly influenced by listing-day return, subscription, issue size, market return, firm age and IPO segment.

H5. The relationship between listing-day return and one-year return differs between SME and Mainboard IPOs.

4. Data and methodology

4.1 Sample

Population: All IPOs on the NSE Mainboard and Emerge between 1 January 2015 and 31 December 2024. To compare economically significant issues in each segment we have taken IPOs with issue size of more than ₹1,000 crore ($n = 143$) and IPOs with issue size of more than ₹30 crore ($n = 148$) which makes the total number of IPOs = 291. The data collected is the issue price, the subscription multiple, the issue size, the closing price of the stock on listing day, closing price one year after listing and date of incorporation from NSE, Chittorgarh.com and Moneycontrol. The closing prices of Nifty 50 stocks were obtained from NSE. The SME sample, which has been growing in recent years, is quite consistent across 2022-2024 (112 of 148 issues), while Mainboard listings do not show such a defined trend, with 2021 presenting the highest volume of issues (34).

4.2 Return measures

All returns are adjusted to Nifty 50. Let the issue price be IP, Listing day closing be LDCP, closing price one year after the listing be CP_1 and the closing price one year before the listing be N_{-1} and on listing day be N_0 and N_1 respectively.

$$NLR_i = \left(\frac{LDCP_i - IP_i}{IP_i} - \frac{N_{0} - N_{-1}}{N_{-1}} \right) \times 100$$

$$NLTR_i = \left(\frac{CP_{1,i} - IP_i}{IP_i} - \frac{N_{1} - N_{-1}}{N_{-1}} \right) \times 100$$

NLR is the net (market-adjusted) listing return and NLTR the net one-year return. Both the amount from issue price and from the issue price to present value represents the return which an allotted investor gets.

4.3 Statistical tests

All Shapiro–Wilk tests fail to meet the normality assumption for each variable in both segments ($p < 0.001$) and the Levene tests fail to meet the equal variances assumption. Therefore, we present the results of the unequal variance t-test, alongside the Mann–Whitney U test and Cohen's d and Cliff's delta as effect sizes. Sub-period tests split the sample into 2015–2019, 2020–2021 and 2022–2024.

4.4 Regression models

Model 1 replicates the baseline specification estimated in SPSS on the full sample ($N = 291$):

$$NLTR_i = \beta_0 + \beta_1 SUB_i + \beta_2 NLR_i + \beta_3 SIZE_i + \beta_4 SME_i + \beta_5 NIFTY_i + \beta_6 AGE_i + \epsilon_i$$

where SUB is the subscription multiple, SIZE the issue size (₹ crore), SME a dummy equal to 1 for SME IPOs, NIFTY the one-year Nifty 50 return (%) and AGE firm age at listing (years).

where SUB is the subscription multiple, SIZE the issue size (₹ crore), SME a dummy variable equal to 1 if the issue is an SME IPO and NIFTY the return on the Nifty 50 index over the past year (%). AGE is the dummy variable representing firm's age at the time of listing (years). Each of models 2-6 tests robustness of the variables

available on all issues. Winsorization is at the 1st and 99th percentile; SUB and SIZE are entered in natural logs; HECD3 is heteroskedasticity-consistent standard errors. The winsorised OLS is the Model 2; the Model 3 includes the listing-year fixed effects; Model 4 is a median regression with raw returns as regressors; Model 5 includes an interaction between NLR and SME to test H5; and Model 6 is a logit for the probability that an IPO outperforms the Nifty over 1 year. A supplementary model explains NLR with the log subscription, log size and the SME dummy and year effects.

5. Results

5.1 Descriptive statistics

SME IPOs receive more oversubscriptions, list higher and have much more spread one year outcomes than Mainboard IPOs (Table 2). All distributions are skewed to the right and medians are below means across.

Table 2. Descriptive statistics by segment (N = 291)

Variable	Segment	N	Mean	Median	SD	Min	Max	Skewness	% > 0
Subscription (times)	Mainboard	143	30.40	11.69	37.24	0.70	157.41	1.43	—
	SME	148	97.38	43.89	121.56	0.78	573.36	1.50	—
Issue size (₹ crore)	Mainboard	143	3,411.7	1,900.0	3,961.4	1,000.0	27,870.2	3.37	—
	SME	148	53.3	47.9	26.5	30.0	197.9	2.70	—
NLR (%)	Mainboard	143	21.12	10.87	37.54	-26.50	270.36	3.05	71.3
	SME	148	33.83	14.29	42.91	-47.37	192.47	1.00	84.5
NLTR (%)	Mainboard	143	9.69	-3.09	81.82	-113.95	517.27	2.45	47.6
	SME	148	53.74	2.41	225.58	-1,120.61	1,631.17	2.34	52.0

Note: NLR = Nifty-adjusted listing-day return; NLTR = Nifty-adjusted one-year return; % > 0 = share of IPOs beating the Nifty.

5.2 Segment comparisons (H1–H3)

H1 and H2 are supported; H3 is supported at the mean but not across the distribution (Table 3).

Table 3. Tests of difference between Mainboard and SME IPOs

Variable	Mean diff. (MB – SME)	Welch t	df	p (Welch)	Mann–Whitney U	p (MWU)	Cohen's d	Cliff's δ	Decision
Subscription	–66.98	–6.40	175.2	< 0.001	7,910	< 0.001	–0.74	–0.25	H1 supported
NLR	–12.71	–2.69	286.2	0.008	8,739	0.010	–0.32	–0.17	H2 supported
NLTR	–44.05	–2.23	186.2	0.027	9,578	0.162	–0.26	–0.10	H3 partly supported
NLTR, winsorised 1/99%	–41.48	–2.92	227.7	0.004	–	–	–	–	Mean result robust

Subscription varies most: SME issues are subscribed nearly three times more on average (medium to large effect). The excess returns of SMEs compared to Mainboard returns are 12.7 percentage points, which is a small to medium effect and found in both tests. A one-year result should be treated with caution. The mean SME advantage of 44 points remains while the Mann–Whitney test shows it is not significant, and the median SME IPO margin of 2.4% is also on top of the Nifty with –3.1% on the Mainboard. A small number of extreme winners boosted the mean by making an IPO with more than 400% excess return in less than a year. A typical SME investor didn't make the mean.

5.3 Sub-period evidence

The SME advantage is a feature of the 2022–2024 boom rather than of the whole decade (Table 4).

Table 4. Median subscription and returns by sub-period

Period	Segment	N	Median subscription	Mean NLR (%)	Median NLR (%)	Mean NLTR (%)	Median NLTR (%)	% beating Nifty (1 yr)
2015–2019	Mainboard	45	5.83	13.60	7.39	–1.44	–10.87	44
	SME	29	1.91	4.43	1.86	–22.54	–26.79	24
2020–	Mainboard	40	18.85	25.17	3.73	–22.13	–32.89	25

2021	d							
	SME	7	1.80	-0.35	-4.59	-21.18	-55.65	43
2022– 2024	Mainboard	58	13.22	24.16	14.64	40.27	20.17	66
	SME	112	92.30	43.57	32.26	78.17	13.12	60

Compared to the period before 2022, SME IPOs were under-subscribed (median was around 2 times) with small gains and lagged behind the index, with the period of 2015-2019, the listing returns were in fact higher (Welch $p = 0.018$). When comparing the returns of listing SMEs with those of the Mainboard, the listing returns of SMEs are significantly better only in 2022–2024 (Welch $p = 0.002$; Mann–Whitney $p = 0.009$). There were no differences in any sub-periods of one year (all Mann–Whitney $p > 0.12$). The timing of the issuance of SMEs is, however, focused in a hot market and the full-sample SME premium indicates that fact.

5.4 Determinants of one-year returns (H4)

Apart from the exception of the one-year performance, which is mostly determined by the listing-day return and market return (Table 5), most other performances are negligible. The model is significant, $F(6, 284) = 15.82$, $p < 0.001$, and explains 25.0% of the variance (adjusted $R^2 = 0.235$).

Table 5. Model 1: OLS determinants of one-year net return (dependent variable NLTR, N = 291)

Variable	B	SE	Beta	t	p
Constant	-24.438	21.292	–	-1.148	0.252
Subscription (times)	0.004	0.117	0.003	0.037	0.970
Listing gain, NLR (%)	1.744	0.263	0.450	6.623	< 0.001
Issue size (₹ crore)	-0.002	0.003	-0.033	-0.544	0.587
IPO type (SME = 1)	21.474	19.983	0.068	1.075	0.283
Nifty one-year gain (%)	1.629	0.677	0.125	2.408	0.017
Firm age (years)	-0.650	0.628	-0.055	-1.035	0.302

The additional percentage point of listing return corresponds to 1.74 percentage points of one-year return with the highest standardised effect ($\beta = 0.45$). Each point of Nifty return contributes 1.63 points, which is similar to the value of the betas of the IPO. Once the listing return is controlled for, these factors of subscription, issue size and firm age and segment are of no importance. H4 is partially supported. The listing pop is highly correlated with listing return itself (supplementary model: β for log subscription = 15.21, $p < 0.001$; adjusted $R^2 = 0.474$), indicating that the demand is only a factor of one-year return via the listing pop.

5.5 Robustness and segment differences in persistence (H5)

The central result holds across specifications, and persistence is much stronger for SME IPOs (Table 6).

Table 6. Robustness models (HC3 robust standard errors; returns winsorised at 1/99% unless stated)

Variable	M2: OLS	M3: OLS + year FE	M4: Median regression (raw)	M5: Interaction	M6: Logit, beat Nifty
NLR	1.521***	1.367***	0.911***	0.798*	0.026*** (OR 1.027)
ln(Subscription)	2.966	4.009	0.214	2.116	0.026 (OR 1.026)
ln(Issue size)	-9.535	–	-11.410	-11.583	-0.377* (OR 0.686)
SME	-18.336	1.976	-42.307	-56.843*	-1.598* (OR 0.202)
NLR × SME	–	–	–	1.211**	–
Year fixed effects	No	Yes	No	No	No
R ² / pseudo-R ²	0.276	0.324	–	0.308	0.139
N	291	291	291	291	291

Note: *** p < 0.01, ** p < 0.05, * p < 0.10. Issue size is omitted in M3 because the two segments' size ranges do not overlap (SME maximum ₹198 crore; Mainboard minimum ₹1,000 crore), making size nearly collinear with the SME dummy once year effects are added.

In the median regression, as well as in all the other models, listing return is positive and significant, thus the result is not influenced by outliers. The difference between Mainboard IPOs and SME IPOs is significant in Model 5 with the listing-return slope being 0.80 for Mainboard IPOs and 2.01 (0.80 + 1.21) for SME IPOs (p = 0.019). Support for H5: an SME listing gain contains approximately 2.5 times the information on 1 year's performance. The logit implies a 10 point increase in listing return increases the chances of a beat in the Nifty by approximately 30%, whereas a change in listing return of 10 points decreases the chances of a beat in the Nifty by 0.078 in the presence of a SME dummy of 1.0. SME IPOs are not more successful in outperforming based on listing day.

Data note: one SME observation (Rajgor Castor Derivatives, NLTR = -1,120.6%) suggests loss more than 100% and is likely to be an error due to a corporate-action adjustment. Inclusions do not affect conclusions (Welch p = 0.005; Mann–Whitney p = 0.132). Also, be sure to compare split and bonus adjusted prices with four Mainboard observations below -100% (Varun Beverages, BSE, Laurus Labs, IEX) before sending the order.

6. Discussion and implications

The evidence points to a sentiment-driven SME market in which listing-day pricing, not segment, decides who gains. Three findings stand out.

Demand and the listing pop. SME issues have about three times the number of subscribers as Mainboard issues, and generate 12.7 points more excess return on listing day. This aligns with the theory of increased information asymmetry for exchange vetted and thinly covered issues (Rock, 1986) and with the theory of larger retail attention share demand (Barber & Odean, 2008; Liu et al., 2023). The trend of SME subscription in 2022-24 (median 92 times) is similar to what SEBI (2024) has reported for the flipping of Mainboard IPOs (about half of the value allotted was sold by individual investors within a week). Strong demand implies the listing pop but does not contribute to one-year returns after the listing pop has occurred, which is consistent with the partial adjustment theory of book-building (Benveniste & Spindt, 1989) instead of a lasting demand premium.

Means versus typical outcomes. The mean SME one year premium of 44 points is real but not representative. The medians are close to zero in both parts, about half of all the IPOs fail to outperform the Nifty and the premium is absent in the rank-based tests and in all the sub-periods. This makes for the conflicting results of Indian studies that conclude SME overperformance (Arora & Singh, 2021; Siwach et al., 2024) have been based on mean buy and hold returns, which a handful of multi-baggers can easily beat. The figure that matters more for retail investors is the median and, on this basis, a retail investor stands as much of a chance to get a premium as to get a lottery.

Persistence of listing gains. The listing day returns have the ability to forecast one year ahead returns in both segments, unlike the robust one-year ahead return forecast of pure sentiment models (Ljungqvist et al., 2006). The persistence is 2.5 times greater in SME IPOs. One explanation is that in an opaque segment, the listing price would be a true reflection of the quality because the offer price would not have been. A second reason is that the momentum of SMEs would be maintained with the continued flow of retail money and the extent of short-selling, which would make it weak. The sub-period evidence – SME underperformance prior to 2022 – supports the second reading and suggests caution is warranted when extrapolating the boom.

Implications

Labels of segments are no help for investors; the listing day and the market cycle are more important. SME IPOs should be considered high risk positions and median expected performance should be in line with the index. The findings justify the path that SEBI is taking for the SME reforms in 2025 for regulators. The profitability thresholds and OFS caps attempt to address the quality issues associated with information asymmetry, and exposure of the small investor to a big investor is minimized by the larger minimum application, which is likely to result in a lower outcome relative to the average. The samples below, prior to 2025, serve as a baseline to measure the reforms. Reliable linkages between: subscription and pop; and pop and one-year returns suggest that an issuer or intermediary may price conservatively to create aftermarket support, provided the fundamentals support such a move.

7. Conclusion

In 291 IPOs (between 2015-2024), we observe that SME IPOs get 12.7 points more market-adjusted listing return and are about three times more subscribed than Mainboard IPOs. The mean one-year return is higher, but that is based on a few extreme winners, medians are close to zero in both segments, rank-based tests yield no significant difference, and the advantage of SMEs is limited to the 2022–2024 boom. Only return on listing and return on market have significant impact on performance over one year, with a correlation of approximately 2.5 times stronger in the SME segment.

Limitations. The size filters (₹1,000 crore and ₹30 crore) are more favorable for bigger issues in each segment, and might not reflect the micro SME offerings. One-year returns are computed in simple market-adjusted return format, not using buy-and-hold abnormal returns relative to size/ style-matched benchmarks. Age of the firm and Nifty returns go into the baseline model only. Split and bonus adjustments should be cross checked in Price data as described in Section 5.5.

Future research. The extension of the time period to 2025-26 would enable a difference-in-differences analysis of the SEBI's March 2025 reforms for SMEs. The conclusions would be strengthened by adding matched-firm

BHARs, calendar time portfolios, information on market makers and anchor investors in SME aftermarket liquidity, and information on allotment and holding levels at investor level levels over 36 months.

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