

Listed equally. Understood unequally.



Prosenjit Ghosh
*Senior Vice President -
Capital Markets*
Adfactors PR Pvt.Ltd.

Going public doesn't change what a business does. It changes who gets to have an opinion about it: permanently, publicly, and in real time.

Few management teams seriously consider what that shift demands of them. That gap between how a company believes it is perceived and how it is actually discussed in investment committees is where investor confidence is quietly won or lost.

Before listing, the relationship with capital is largely negotiated. The company tells its story, investors decide whether they believe it, and the ones who don't simply don't participate. Post-listing, that dynamic inverts. The market forms a continuous, public, real-time opinion of the business; one that a company influences but does not control. And unlike a private fundraise, it cannot choose its audience. It inherits one.

What a company can control is the quality and consistency of how it communicates. That starts with knowing what its equity narrative looks like from the outside; benchmarked against the peers its target investors are actually comparing it to, not the ones it would choose itself.

This sounds straightforward. In practice, it requires a kind of discipline that most organisations are not structured to maintain. Quarterly reporting cycles create natural pressure points since results need to be framed, guidance needs to be set, management commentary needs to be calibrated. In that pressure, the temptation to manage perception rather than shape understanding is significant. The two feel similar in the short term. Over time, they produce very different outcomes.

Investors, particularly institutional investors who've been around long enough, are remarkably good at detecting the difference.

They're not always listening to what management says. They're listening to how it is said. Whether the confidence in a strong quarter sound earned or performed. Whether the caution in a weak one sounds analytical or defensive. Whether the CFO's commentary and the CEO's commentary are genuinely aligned, or whether they've each been briefed separately, and it shows. These are not subtle signals. They accumulate into a judgment about whether management has genuine command of their business, or whether they're narrating it from a distance.

That judgment has a direct bearing on valuation; not just in moments of volatility, but structurally, over time.

The companies I've seen command consistent valuation premiums relative to peers are rarely the ones with the most impressive growth trajectories. They tend to be the ones with the most predictable communication patterns. They set guidance that is realistic rather than aspirational. When they miss, they say so early, explain the variance clearly, and lay out what changes rather than waiting for the results call and hoping the narrative holds. When they beat, they don't over-celebrate in ways that make the next quarter harder to manage.

This kind of discipline is harder to maintain than it looks, because it runs against some instincts that are otherwise useful in business.

The instinct to project confidence. The instinct to protect sensitive information until one is certain. The instinct to present the best case rather than the honest one. All of these serve a purpose in other contexts. In investor relations, they create friction between what the market expects and what the company delivers.

Between the story management tells, and the reality analysts eventually piece together: that friction compounds.

I've worked with companies where the Investor Relations (IR) function was essentially a scheduling operation which included coordinating earnings calls, managing disclosure timelines, and answering inbound queries. Technically compliant, functionally passive. I've worked with companies where the IR function was treated as a genuine strategic interface: where the head of IR had real access to leadership thinking, where the external narrative was built from the inside out rather than retrofitted to the numbers, where management actually debated what to say before they said it and not just how to say it. Where the strategy was shaped around what the leadership and board could credibly own, because a narrative that doesn't fit the people delivering it doesn't survive contact with a serious investor.

Valuation is numbers multiplied by narrative. Companies that treat IR as a back-office function are essentially leaving one of those two variables unmanaged.

The difference in how those two types of companies is perceived by the market, over a three-to-five-year horizon, is substantial. This requires knowing the capital markets with genuine precision, right from which institutions matter for a company's specific story and which tier-one and tier-two research houses shape how a sector is read, to more importantly, what the street is actually thinking between results cycles; not just what gets said on the record.

Accessibility is part of this, but it's often misunderstood.

Accessibility isn't about being available for every investor query or doing more NDR days. It's about giving investors enough genuine visibility into how management thinks that they can form their own informed view rather than constructing one from inference and rumour. When that visibility is absent, investors don't sit quietly with uncertainty. They fill it, using whatever information they have, and increasingly, that includes what's being said about the company in digital spaces, across platforms and financial communities that move faster than any disclosure cycle. The conclusions they reach are not always charitable.

India has nearly 5,000 companies listed on the BSE mainboard. Barely 1 in 4 sit in active AMC portfolios. The rest

are not invisible because they are fundamentally broken. Most are overlooked because they have never been legible to institutional capital. That is a communications failure, not a business one.

The most dangerous place to be in public markets is not underperforming. It is being misunderstood while underperforming because then a company is managing both the reality and a narrative that's running ahead of it, and that is genuinely difficult to recover from.

Investor credibility is not just established at IPO. It is rebuilt every quarter, and often lost faster than it is built. Trust accumulates slowly, through repeated evidence that what is said and what is done are the same thing. Through showing up consistently in good quarters and bad ones. Through communicating with investors as partners, not as a constituency to be managed.

Companies that understand this tend to view the post-listing period not as a continuation of the IPO roadshow, but as the beginning of a fundamentally different kind of relationship with capital.

One where the prospectus is already forgotten. And every quarter is a fresh test of whether the company is worth believing.
