

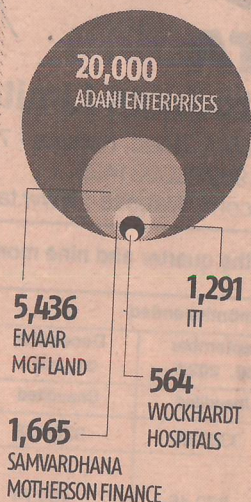
Dubious distinction: AEL first to cancel share sale after full subscription

Adani Enterprises (AEL) on Wednesday became the largest company in India to withdraw its share sale. The company, however, joins 29 others to have withdrawn their initial public offering (IPO) or follow-on public offering (IPO) since 2003. As per data provided by Prime Database, these 29 companies were targeting to raise a cumulative of ₹11,000 crore. The reason for withdrawals in most cases is insufficient demand. AEL is the first company to withdraw its share sale, despite managing to garner full subscription.

Other high profile share sale withdrawals include one by Emaar MGF in February 2008. The real estate major's ₹5,436-crore IPO had garnered more than 80 per cent subscription but faced withdrawals due to a spike in market volatility amid the global financial crisis. In 2012, Samvardhana Motherson Finance was forced to refund investors after pulling out its IPO due to the increase in market volatility.

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TESTING TIMES

Biggest share sales in India where money was refunded to investors

	Issue date	Type	Reason
Adani Enterprises	27-01-2023	FPO	Stock price crash following allegations made by Hindenburg
Emaar MGF Land	01-02-2008	IPO	Investor withdrawals amid global financial crisis (GFC)
Samvardhana Motherson Finance	02-05-2012	IPO	Market volatility triggered by GAAR concerns
ITI	24-01-2020	FPO	Undersubscription even despite extending issue date twice
Wockhardt Hospitals	31-01-2008	IPO	Market volatility and poor investor sentiment due to GFC

Note: Data since 2003

Source: Prime Database