Snapdeal parent AceVector slumps over 19% in India debut

Reuters



A private security gurad stands at a gate of Snapdeal headquarters in Gurugram on the outskirts of New Delhi, India, April 3, 2017. Picture taken April 3. REUTERS/Adnan Abidi/File Photo

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Oct 5 (Reuters) - Shares of AceVector (ACEV.NS), opens new tab, the parent company of Indian e-commerce platform Snapdeal, made a subdued debut on Monday, falling 19.3%, as investors were concerned over the lack of profits.

Here are more details:

Shares of the SoftBank-backed

(9984.T), company listed at 28.32 rupees on the National Stock Exchange of India, down 11.5% from the issue price of 32 rupees.

Shares extended losses to end at 25.81 rupees, valuing the company at 14.19 billion rupees ($147.36 million).

The IPO was subscribed 4.93 times last week, a muted response for an IPO in recent months. Data from Prime Database, which provides data on the Indian primary capital market, showed that about 66% of IPOs in the first half of fiscal year 2026-27 received more than 10 times the bids that were on offer.

The company competes with Nykaa (FSNE.NS), and Meesho (MEES.NS), in India's growing e-commerce market.

AceVector, which also owns Unicommerce and Stellaro Brands, posted a consolidated loss of 607.8 million rupees for fiscal year 2026, with revenue of 5.1 billion rupees.

"The valuation appears reasonable on a sales basis, but is not deeply attractive given the absence of profits," Swastika Investmart said in a note last week.

AceVector's IPO comprised a fresh issue of shares worth 2.87 billion rupees and an offer for sale of up to 41.56 million shares by existing investors, including controlling shareholder Starfish, owned by SoftBank, and Nexus Venture Partners.

($1 = 96.2950 Indian rupees)

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