



Fundraising via IPOs plunge 60% in 2019 as economy sputters

Mumbai: Reflecting the woes of the broader economy, fund raising through initial public offerings (IPOs) plunged to a low ₹12,362 crore in 2019, down a full 60% from 2018 when the street mopped up ₹30,959 crore. The outgoing year saw only 16 IPOs as against 24 in 2018, show the data collated by the premier database on the capital market Prime Database.

The largest IPO in 2019 was from Sterling & Wilson Solar which raised ₹2,850 crore, while the average issue size was ₹773 crore. That the economy is in bad shape—Q2 gross domestic product (GDP) has come in at near seven-year low of 4.5% and there is no sign of any improvement going forward—is clear from the fact that as many 47 companies who got Securities and Exchanges Board of India (Sebi) nod to raise over ₹51,000 crore through IPOs allowed their same to lapse.