

**A STUDY ON IMPACT OF HINDENBURG REPORT ON ADANI STOCK PRICES AND
MARKET CAPITALIZATION**

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ABSTRACT

The Hindenburg Research report published on June 14, 2021, accused Adani Group of concealing key facts about its operations, inflating profits, and misrepresenting relationships with regulators. The report caused a significant negative impact on the stock prices of Adani companies listed on Indian stock exchanges. The study aims to analyse the impact of the Hindenburg report on Adani stock prices and market capitalization. The objectives of the study are to examine the changes in Adani Group's stock prices and market capitalization following the publication of the Hindenburg report, to assess the extent to which the report influenced investor sentiment towards Adani companies, and if any company still invested even after a huge fall in Adani Groups Listed companies. In this study secondary data is used for the purpose to analyse effect of Hindenburg report on Adani Group Stock Market and Market Capitalization. This study also used descriptive study method to examine this case. From the collected data, we use comparative study method by comparing before and after effect of the Hindenburg report on Adani Group stocks and Market capitalization. By illustrating bar and line graphs of the financial and stock prices reports of Adani Group before and after Hindenburg Report in January 2023.

The results of this study will be presented in terms of abnormal fluctuations in Adani companies' stock prices, as well as the changes in their market capitalization. The study will also provide an analysis of the Adani companies before and after the publication of the Hindenburg report. And calculate loss percentage of Adani Group's listed companies in stock market and market capitalization. The findings of this study will provide insights into the impact of negative news reports on stock prices and market capitalization of Adani Group. The study will also contribute to a better understanding of the importance of transparency and accurate reporting in the financial markets.

INTRODUCTION:

The Adani Group is a diversified Indian conglomerate that operates in various industries such as energy, infrastructure, logistics, agribusiness, and defence. It was founded in 1988 by Gautam Adani and is headquartered in Ahmedabad, Gujarat, India. Some of the major subsidiaries and businesses of the Adani Group include Adani Ports and Special Economic Zone Limited, Adani Power Limited, Adani Transmission Limited, Adani Green Energy Limited, Adani Gas Limited, Adani Wilmar Limited, Adani Defence and Aerospace, and Adani Agri Logistics.

The group has been expanding rapidly in recent years and has been involved in several major projects, both in India and internationally. For example, it has been developing a new container terminal at the port of Mundra in Gujarat, India, and has also been involved in the construction of a new airport in Ahmedabad. Additionally, the group has been investing heavily in renewable energy projects and aims to become the largest solar power company in the world. However, the Adani Group has also faced some controversy and criticism over its business practices, including concerns over environmental impact and alleged violations of labor rights.

The Adani Group is a key player in the Indian capital market, and as such, the Indian economy and its stakeholders are significantly impacted by its performance and decisions. The capital market is a financial market where companies and governments can raise long-term funds by selling stocks, bonds, and other financial instruments to investors. The primary purpose of the capital market is to

facilitate the transfer of capital from investors to companies or governments that need it to finance their operations or projects.

The capital market can be divided into two main segments: the primary market and the secondary market. The primary market is where new securities are issued and sold for the first time, usually through an initial public offering (IPO) or a private placement. The secondary market, on the other hand, is where previously issued securities are bought and sold among investors. Examples of secondary markets include stock exchanges, such as the New York Stock Exchange (NYSE) and the Nasdaq, and bond markets, such as the US Treasury bond market.

Investors in the capital market can include individual investors, institutional investors such as mutual funds and pension funds, and even foreign governments. The capital market plays a crucial role in the economy by providing a mechanism for companies and governments to access the funds they need to grow and expand their operations, while also providing a platform for investors to invest their money and earn a return on their investment. The Adani Group has also been actively raising funds from the capital market to finance its growth plans. For example, in 2020, Adani Green Energy raised \$1.35 billion through a combination of equity and debt, making it one of the largest renewable energy IPOs in the world. Similarly, Adani Ports and Special Economic Zone raised \$750 million through a bond issue in 2021. The strong performance of Adani Group companies in the capital market has also had a positive impact on the broader Indian stock market. Adani Group stocks have been among the top performers in recent years, and their rise has contributed to the overall growth of the Indian stock market. Hindenburg Research defines itself as a scientific monetary research corporation and futuristic short seller. It emphasizes examining bookkeeping indiscretions, bad thespians in the organization, unnamed dealings, and unlawful/unethical commercial or fiscal reporting practices. Fundamentally, to sum it up, the corporation looks for dishonesty or deception in the corporate world and examines them. Hindenburg Research clutched the limelight in India this year after it issued a critical report titled Adani Group: How the World's 3rd Richest Man Is Pulling the Principal Scam in Corporate History. Gautam Adani, Founder and Chairman of the Adani Group, has amassed a net worth of roughly \$120 billion, adding over \$100 billion in the past 3 years largely through stock price appreciation in the group's 7 key listed companies, which have spiked an average of 819% in that period. Adani Enterprises, Adani Transmission, Adani Power, and Adani Total Gas all report 72-plus percent of their shares held by insiders. Furthermore, Adani Wilmar, a new company with current insider ownership of 87.94 percent, must reduce its insider holdings to 75 percent. Hindenburg Research Adani Report said that for many Adani listed companies, a large portion of their "public" shareholders are funds based in the opaque jurisdiction of Mauritius. "Importantly, funds identified in this section, which we believe should be classified as "promoter" (insider) entities, hold enough shares of Adani listed companies to put four of them well over the 75% threshold, triggering delisting. In the statement, said to be grounded on a two-year examination, Hindenburg suspected that Adani Group affianced in barefaced stock handling and accounting scam over the progression of periods. The statement has formed a political furore just a year before the vital 2024 Lok Sabha election, with the Opposition striking out at the governing BJP over Gautam Adani's supposed close bonds with Prime Minister Narendra Modi. Adani has mislaid his authority as Asia's and India's wealthiest, with the outcome rubbing out more than \$150 billion from Adani Group's marketplace worth since January 24.

Statement of the problem

The Adani Group has had a significant impact on the capital market in recent years. The group has been involved in several high-profile projects and has been expanding rapidly in various industries, including energy, infrastructure, logistics, and agribusiness. This growth has been accompanied by a significant increase in the market capitalization of Adani Group companies, which has made them some of the most valuable companies in India.

This study states the impact of Hindenburg research on the capital market. By taking a reference case of Hindenburg research report on Adani Group. And it had a huge impact on India's economy. In this study we are going to look how the report impacted to the Adani group and the capital market. It also gives clear understandings that allegations could give huge impact on company and capital market.

Objective of the study

1. To prepare a comparative study on Adani group stocks and Market capitalization before and after the report of Hindenburg.
2. To determine the impact of Adani Group's response on the capital market
3. To analyse the effect of Hindenburg Report on Adani Group and the capital market.

Need of the study

This study of the Hindenburg report on the Adani Group highlights the importance of transparency, good governance, and ethical business practices in maintaining investor confidence and promoting sustainable growth.

The report had an immediate and significant impact on the stock prices of Adani-related companies, wiping out billions of dollars in market value. This underscores the importance of transparency and good governance in maintaining investor confidence and avoiding market volatility.

Scope of the study

The case study of the Hindenburg report on the Adani Group can help investors and people understand several important issues related to corporate governance, transparency, and sustainability. This study also helps us to understand how the report effected the Adani group.

Limitation of the study

1. The study is limited to the period of 2022-23 Financial of Adani Group.
2. This study deals only with the data that Hindenburg reported on the Adani Group and their response.
3. It is limited to the stock prices in NSE and BSE of Adani Group and its daughter companies for specific dates during 2022-23.

1.2 Literature Review

Sanjay Dhir and Sushil (April 2019) Adani Group, Since 1988, the Adani Group, which started initially as a commodity trading firm, is growing at a fast pace and has expanded into imports and exports of part of multi-commodities. The group has expanded into four verticals with its highly integrated infrastructure joining the list of top 50 performing companies in Asia by Forbes. The four companies being Adani Enterprises Ltd., Adani Ports and SEZ Ltd., Adani Power Ltd. and Adani Transmission Ltd. **Amanjot singh (March 2022)** Insider stock pledging and stock price informativeness: Evidence from India Insiders' shares can act as collateral while raising funds from lenders. This study examines the impact of insiders' stock pledging activities on stock price informativeness using a sample of 1835 Indian firms. Our findings report that insider stock pledging increases the informational efficiency of stock prices. This informational efficiency increases for larger firms with: (1) financial constraints (high leverage and low cash holdings); (2) greater reliance on trade credit; and (3) higher indulgence in related party transactions. We also provide evidence on abnormal share turnover as a trading mechanism through which insider stock pledging is related to stock price informativeness. Our findings are robust across different specifications and after accounting for endogeneity issues.

Sarang Deo, Sanjay Kumar Singh, G. Raghuram, and Sanjay Choudhari (2009), Adani Wilmar Limited (AWL), Adani Wilmar Limited (AWL) was a part of the Adani group, which started as a trading company mainly into exports of commodities. The group had recently entered into the

infrastructure sector with the building of the Mundra port. The group had formed a joint venture with Wilmar Trading of Singapore to enter into the edible oil business. The company was setting up a refinery with capacity of 600 tons per day. It planned to sell half of the production as bulk oil and the rest as packed oil. The company viewed supply chain management as one of the important means to get a competitive edge. Approximately 70% of the total logistics cost was accounted for by transportation cost. Some of the key decisions the company faced was the location of the warehouses, mode choice and routing.

Authors Environmental Justice Australia and legal research contributors Earthjustice (February 2017), The Adani Brief: What governments and financiers need to know about the Adani Group's record overseas. The Adani Group's proposed Carmichael Coal Mine and Rail Project in the Galilee Basin in Queensland would, if developed, be among the largest new coal mines in the world. In addition to destroying the traditional lands and sacred sites of the Indigenous Wangan and Jagalingou people, and unique and important species and ecosystems, burning the 60 million tons of coal the mine is projected to produce each year would measurably exacerbate climate change and ocean warming and acidification that are causing human and environmental devastation worldwide. The associated rail infrastructure and expansion of the coal export terminal at Abbot Point Port adjacent to the Great Barrier Reef World Heritage Area would facilitate the shipping of coal through the Reef's water from both the Carmichael Mine and other mines proposed for the Galilee Basin, increasing the risk of shipping oil spills and groundings that would further damage the Reef's already endangered ecosystem.

Tim Buckley (August 2019) Billionaire Adani Being Subsidised for Carmichael Thermal Coal Mine Adani's Thermal Coal Mine in Queensland Will Never Stand on Its Own Two Feet Although Adani Australia claims its Carmichael thermal coal mine is 100% self-funded, Indian billionaire Gautam Adani is relying on Australian taxpayer dollars in the form of subsidies to both construct and operate its recently approved mine in the Galilee Basin in Queensland, Australia. The project is also reliant on a number of subsidies being provided to Adani Power Ltd in India, including decade long, dedicated special economic zone tax concessions, government capital finance subsidies and special treatment on coal-price pass-through, locking in energy poverty for the poor in the Indian state of Gujarat, and the country of Bangladesh.

PARANJOY GUHA THAKURTA (May 2016) Power Tariff Scam Gets Bigger at ₹50,000 Crore: Did Adani and Essar Groups Over-invoice Power Plant Equipment? The dimension of the scam relating to inflation of power tariffs by, among other things, over-invoicing imported coal has become considerably bigger. It has now come to light that electricity generating companies are seeking to obtain compensatory tariffs from regulators. In addition, particular firms in the Adani and Essar Groups have allegedly over-invoiced imports of equipment. The total size of the scam is currently estimated at ₹50,000 crore, if not more.

1.3 Research Methodology

In this study secondary data is used for the purpose to analyse effect of Hindenburg report on Adani Group and capital market. The secondary data is taken from NSE & BSE stock market places of the 7 listed companies of Adani Group. And the market capitalization is taken from different article sources and websites for each listed companies.

This study also used descriptive study method to examine this case. The summary of the Hindenburg Research report on Adani Group which was given on 24th January 2023. And details of the reply given by the Adani Group. This study carefully looks into the news and see how much did it impact either good way or bad way. And if the investors could trust and invest again.

From the collected data, we use comparative study method by comparing before and after effect of the Hindenburg report on Adani Group stocks and Market capitalization. In this comparative method, the prices of stock market and market capitalization are taken on different cases and different dates. The prices are taken on highest and lowest stock price during 2022- 23, price taken on date when Hindenburg Report was released (i.e. 24th Jan 2023) and when Adani responded to those

allegations(i.e. 27th Jan 2023), price increased after a huge downfall date and present price (i.e 25th April 2023)

By illustrating bar and line graphs of the stock prices and market capitalization reports of Adani Group before and after Hindenburg Report in January 2023.

LIC was the only company who invested after a huge downfall due to report. Here in this study we will take a look into how much did LIC invest and what were their market capitalization.

The data is collected from various sources

- Stock prices of Adani group and its daughter companies.
- Adani Group’s financial statement of FY2022-23 (Market Capital)
- Various articles
- Websites

1.4 DATA ANALYSIS & DATA INTERPRETATION

The data of Adani Group’s Daughter Companies stock prices and market cap are compared. From the data, they are analysed and interpreted the impact.

It also tells us if Adani’s Response on the Hindenburg Report gave any impact to its company and capital market. And to analysis the effect of the report on the company and capital market, by stating the total loss of Adani Group in stock market (capital market) and market capitalization.

The following are the listed companies of Adani Group’s stock details

Adani Enterprises Ltd.

1.4.1 Table of Adani Enterprises Ltd. NSE & BSE Stock price for specific period.

Adani Enterprise			
Date	NSE	BSE	
20-Dec-22	4165.30	4164.25	Highest price
24-Jan-23	3442.00	3442.75	Hindenburg Report
27-Jan-23	2761.45	2762.15	Adani Response
31-Jan-23	2973.90	2975.00	Increased after response
27-Feb-23	1193.50	1194.20	Lowest price
25-Apr-23	1844.60	1845.45	Present Price

1.4.1 Graph of Adani Enterprises Ltd. NSE Stock price for period of Dec 2022 to April 2023



TradingView

1.4.2 Graph of Adani Enterprises Ltd. BSE Stock price for period of Dec 2022 to April 2023



Data Analysis

The data provided is about the stock price of Adani Enterprise, a company listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. Here is a breakdown of the information:

- On December 20, 2022, the highest price of the stock was 4165.30 on NSE and 4164.25 on BSE.
- On January 24, 2023, a report by Hindenburg Research was released, which negatively impacted the stock price.
- On January 27, 2023, Adani Enterprise responded to the Hindenburg report, which resulted in a slight increase in the stock price on both exchanges.
- On January 31, 2023, the stock price increased further, and the stock closed at 2973.90 on NSE and 2975.00 on BSE.
- On February 27, 2023, the stock price reached its lowest point at 1193.50 on NSE and 1194.20 on BSE.
- As of April 21, 2023, the stock price has increased to 1802.00 on NSE and 1802.35 on BSE.

Data Interpretation

Overall, the data shows that the stock price of Adani Enterprise experienced significant fluctuations, with the stock reaching its highest point in December 2022 and its lowest point in February 2023. The release of the Hindenburg report negatively impacted the stock price, but the company's response and subsequent market behaviour suggest a certain level of resilience. The present price of the stock is higher than its lowest point but lower than its highest point. The stock price on 24 Jan 2023 is 3442Rs in NSE and present price (i.e. 25 Apr 2023) is 1844.60Rs, gave **46.40% loss**.

Adani Green Energy Ltd.

1.4.2 Table of Adani Green Energy Ltd. NSE & BSE Stock price for specific period.

Adani Green Energy Ltd		
Date	NSE	BSE
22-Apr-22	2882.80	2888.40
24-Jan-23	1916.80	1913.55
27-Jan-23	1486.25	1484.50
31-Jan-23	1223.90	1224.05
27-Feb-23	462.20	462.45
25-Apr-23	931.15	930.30

Highest price
Hindenburg Report
Adani Response
After response
Lowest price
Present Price

1.4.3 Graph of Adani Green Energy Ltd. NSE Stock price for period of Dec 2022 to April 2023



1.4.4 Graph of Adani Green Energy Ltd. BSE Stock price for period of Dec 2022 to April 2023



Data Analysis

The provided data shows the historical stock prices of Adani Green Energy Ltd, an Indian renewable energy company, listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE), as follows:

- On April 22, 2022, the stock reached its highest price on both NSE and BSE, with a price of 2882.80 and 2888.40, respectively.
- On January 24, 2023, a report by Hindenburg Research was released, which negatively impacted the stock. The price on NSE and BSE dropped to 1916.80 and 1913.55, respectively.
- On January 27, 2023, Adani Green Energy Ltd released a response to the Hindenburg Report. The price on NSE and BSE slightly recovered to 1486.25 and 1484.50, respectively.
- As of January 31, 2023, the stock had a price of 1223.90 on NSE and 1224.05 on BSE.
- On February 27, 2023, the stock reached its lowest price on both NSE and BSE, with a price of 462.20 and 462.45, respectively.
- As of April 25, 2023, the stock had a price of 931.15 on NSE and 930.30 on BSE.

Data Interpretation

Overall, the stock of Adani Green Energy Ltd experienced significant volatility during this period, with a sharp drop following the Hindenburg Report, a recovery after the company's response, and a

subsequent decline to reach its lowest price before a partial recovery to the present price. The report impacted Adani Green Energy Ltd stock price on 24 Jan 2023 is 1916.80Rs in NSE and present price (i.e. 25 Apr 2023) is 931.15Rs, that is **51.42% loss**.

Adani Power Ltd.

1.4.3 Table of Adani Power Ltd. NSE & BSE Stock price for specific period.

Adani Power Ltd			
Date	NSE	BSE	
22-Aug-22	432.50	432.80	Highest price
24-Jan-23	274.65	274.80	Hindenburg Report
27-Jan-23	247.95	248.05	Adani Response
8-Feb-23	181.90	182.00	Increased after response
27-Feb-23	139.35	139.50	Lowest price
25-Apr-23	205.65	205.75	Present Price

1.4.5 Graph of Adani Power Ltd. NSE Stock price for period of Dec 2022 to April 2023



TradingView

1.4.6 Graph of Adani Power Ltd. BSE Stock price for period of Dec 2022 to April 2023



TradingView

Data Analysis

The data provided is about the stock price of Adani Power Ltd, a company listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. Here is a breakdown of the information:

- On August 22, 2022, the stock price was 432.5 on NSE and 432.8 on BSE.
- On January 24, 2023, the stock price decreased significantly and closed at 274.65 on NSE and 274.8 on BSE.
- On January 27, 2023, the stock price decreased further and closed at 247.95 on NSE and 248.05 on BSE.
- On February 8, 2023, the stock price decreased even further and closed at 181.9 on NSE and 182 on BSE.
- On February 27, 2023, the stock price reached its lowest point at 139.35 on NSE and 139.5 on BSE.
- As of April 25, 2023, the stock price has increased to 205.65 on NSE and 205.75 on BSE.

Data Interpretation

Overall, the data shows that the stock price of Adani Power Ltd experienced significant fluctuations, with the stock reaching its highest point in August 2022 and its lowest point in February 2023. The stock price decreased significantly between August 2022 and January 2023, and then continued to decline until it reached its lowest point in February 2023. However, the stock price has since increased but has not yet recovered to its August 2022 levels. The impact of Hindenburg report has still effected on present stock that's is 25TH April 2023. The report impacted Adani Power Ltd stock price on 24 Jan 2023 is 274.65Rs in NSE and present price (i.e. 25 Apr 2023) is 205.65Rs, that is **25.12% loss** .

Adani Wilmar Ltd.

1.4.4 Table of Adani Wilmar Ltd. NSE & BSE Stock price for specific period.

Adani Wilmar Ltd.			
Date	NSE	BSE	
27-Apr-22	841.00	840.50	Highest price
24-Jan-23	572.65	573.15	Hindenburg Report
27-Jan-23	516.85	517.30	Adani Response
9-Feb-23	439.70	440.30	Increased after response
28-Feb-23	344.45	344.20	Lowest price
25-Apr-23	403.30	402.85	Present Price

1.4.7 Graph of Adani Wilmar Ltd. NSE Stock price for period of Dec 2022 to April 2023



1.4.8 Graph of Adani Wilmar Ltd. BSE Stock price for period of Dec 2022 to April 2023



Data Analysis

The data provided is about the stock price of Adani Wilmar Ltd, a company listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. Here is a breakdown of the information:

- On April 27, 2022, the stock price was 841.00 on NSE and 840.50 on BSE.
- On January 24, 2023, the stock price decreased significantly and closed at 572.65 on NSE and 573.15 on BSE.
- On January 27, 2023, the stock price decreased further and closed at 516.85 on NSE and 517.30 on BSE.
- On February 9, 2023, the stock price decreased even further and closed at 439.70 on NSE and 440.30 on BSE.
- On February 28, 2023, the stock price reached its lowest point at 344.45 on NSE and 344.20 on BSE.
- As of April 25, 2023, the stock price has increased to 403.30 on NSE and 402.85 on BSE.

Data Interpretation

Overall, the data shows that the stock price of Adani Wilmar Ltd experienced significant fluctuations, with the stock reaching its highest point in April 2022 and its lowest point in February 2023. The stock price decreased significantly between April 2022 and January 2023, and then continued to decline until it reached its lowest point in February 2023. However, the stock price has since increased but has not yet recovered to its April 2022 levels. The report impacted Adani Wilmar Ltd stock price on 24 Jan 2023 is 572.65Rs in NSE and present price (i.e. 25 Apr 2023) is 403.30Rs, that is **29.57% loss**.

Adani Ports and SEZ Ltd

1.4.5 Table of Adani Ports and SEZ Ltd. NSE & BSE Stock price for specific period.

Adani Ports & SEZ Ltd.			
Date	NSE	BSE	
20-Sep-22	970.25	969.40	Highest price
24-Jan-23	761.20	760.85	Hindenburg Report
27-Jan-23	596.95	598.60	Adani Response
31-Jan-23	612.65	612.80	Increased after response
2-Feb-23	462.45	462.00	Lowest price
25-Apr-23	671.45	671.40	Present Price

1.4.9 Graph of Adani Ports and SEZ Ltd. NSE Stock price for period of Dec 2022 - April 2023



1.4.10 Graph of Adani Ports and SEZ Ltd. BSE Stock price for period of Dec 2022 to April 2023



Data Analysis

The data provided is about the stock price of Adani Ports and SEZ Ltd, a company listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. Here is a breakdown of the information:

- On September 20, 2022, the highest price of the stock was 970.25 on NSE and 969.40 on BSE.
- On January 24, 2023, a report by Hindenburg Research was released, which negatively impacted the stock price.
- On January 27, 2023, Adani Ports and SEZ Ltd responded to the Hindenburg report, which resulted in a slight increase in the stock price on both exchanges.
- On January 31, 2023, the stock price increased further, and the stock closed at 612.65 on NSE and 612.80 on BSE.
- On February 2, 2023, the stock price reached its lowest point at 462.45 on NSE and 462.00 on BSE.
- As of April 25, 2023, the stock price has increased to 671.45 on NSE and 661.40 on BSE.

Data Interpretation

Overall, the data shows that the stock price of Adani Ports and SEZ Ltd experienced significant fluctuations, with the stock reaching its highest point in September 2022 and its lowest point in

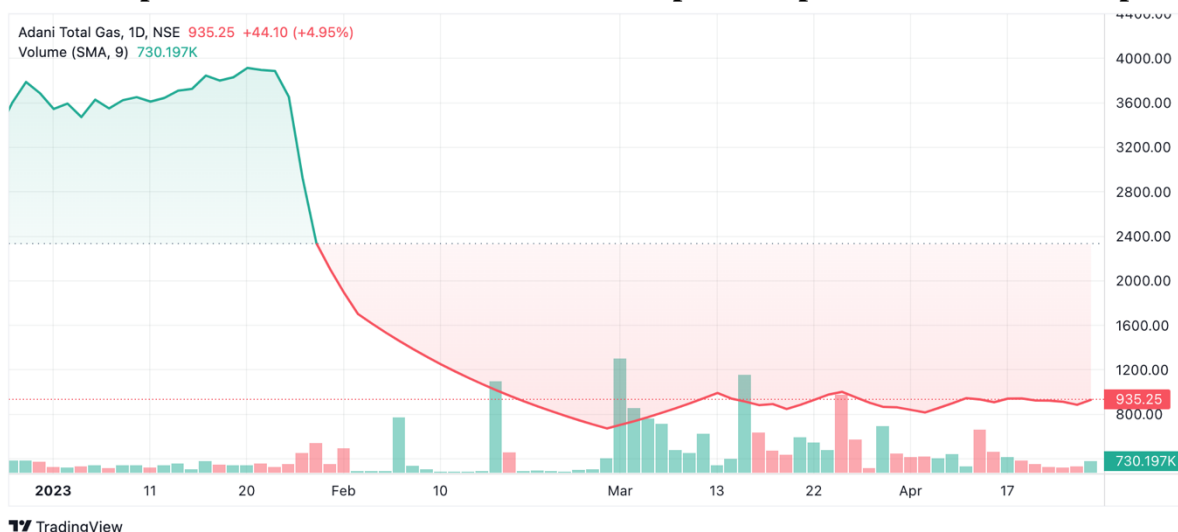
February 2023. The release of the Hindenburg report negatively impacted the stock price, but the company's response and subsequent market behavior suggest a certain level of resilience. The present price of the stock is higher than its lowest point but lower than its highest point. The report impacted Adani Ports and SEZ Ltd stock price on 24 Jan 2023 is 761.20Rs in NSE and present price (i.e. 25 Apr 2023) is 671.45Rs, that is **11.76% loss**.

Adani Total Gas Ltd.

1.4.6 Table of Adani Total Gas Ltd. NSE & BSE Stock price for specific period.

Adani Total Gas Ltd.			
Date	NSE	BSE	
20-Jan-23	3918.90	3918.25	Highest price
24-Jan-23	3891.75	3885.45	Hindenburg Report
27-Jan-23	2928.00	2934.55	Adani Response
13-Mar-23	997.05	997.65	Increased after response
28-Feb-23	678.55	680.20	Lowest price
25-Apr-23	935.25	935.10	Present Price

1.4.11 Graph of Adani Total Gas Ltd. NSE Stock price for period of Dec 2022 to April 2023



1.4.12 Graph of Adani Total Gas Ltd. BSE Stock price for period of Dec 2022 to April 2023



Data analysis

The data provided is about the stock price of Adani Total Gas Ltd, a company listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. Here is a breakdown of the information:

- On January 20, 2023, the stock price was at its highest point, reaching 3918.90 on NSE and 3918.25 on BSE.
- On January 24, 2023, the stock price decreased significantly and closed at 3891.75 on NSE and 3885.45 on BSE after Hindenburg Research released a negative report.
- On January 27, 2023, the company responded to the report and the stock price increased to 2928.00 on NSE and 2934.55 on BSE.
- On February 28, 2023, the stock price reached its lowest point at 678.55 on NSE and 680.20 on BSE.
- As of March 13, 2023, the stock price had increased to 997.05 on NSE and 997.65 on BSE.
- As of April 25, 2023, the stock price has further increased to 935.25 on NSE and 935.10 on BSE.

Data Interpretation

Overall, the data shows that the stock price of Adani Total Gas Ltd experienced significant fluctuations due to the Hindenburg Report, which had a negative impact on the stock price. However, the company's response to the report helped to stabilize the stock price, which has since increased but has not yet fully recovered to its highest point in January 2023. The report impacted Adani Total Gas Ltd stock price on 24 Jan 2023 is 3891.75Rs in NSE and present price (i.e. 25 Apr 2023) is 935.25Rs, that is **75.96% loss**.

Adani Transmissions Ltd

1.4.7 Table of Adani Transmission Ltd. NSE & BSE Stock price for specific period.

Adani Transmission Ltd.			
Date	NSE	BSE	
15-Sep-22	4105.40	4105.55	Highest price
24-Jan-23	2762.15	2756.15	Hindenburg Report
27-Jan-23	2014.20	2009.70	Adani Response
31-Jan-23	1774.00	1773.95	Increased after response
28-Feb-23	642.90	642.55	Lowest price
25-Apr-23	1012.95	1012.50	Present Price

1.4.13 Graph of Adani Transmission Ltd. NSE Stock price for period of Dec 2022 - April 2023



TradingView

1.4.14 Graph of Adani Transmission Ltd. BSE Stock price for period of Dec 2022 - April 2023



Data Analysis

The given data represents the stock prices of Adani Transmission Ltd. on different dates from September 15th, 2022, to April 25th, 2023, as reported on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

- On September 15th, 2022, the highest price of Adani Transmission Ltd. was reported, with the stock prices reaching Rs. 4105.40 on NSE and Rs. 4105.55 on BSE.
- On January 24th, 2023, the Hindenburg Report, which raised concerns about Adani Group's accounting practices and alleged overvaluation of some of its companies, was published.
- Following the report, the stock prices of Adani Transmission Ltd. on NSE and BSE fell to Rs. 2762.15 and Rs. 2756.15, respectively, on January 27th, 2023.
- Adani Group responded to the Hindenburg Report on January 27th, 2023, and as a result, the stock prices of Adani Transmission Ltd. increased on January 31st, 2023, to Rs. 1774.00 on NSE and Rs. 1773.95 on BSE.
- On February 28th, 2023, the stock prices of Adani Transmission Ltd. reached their lowest point, with prices falling to Rs. 642.90 on NSE and Rs. 642.55 on BSE.
- As of April 25th, 2023, the present stock prices of Adani Transmission Ltd. were Rs. 1012.95 on NSE and Rs. 1012.50 on BSE.

Data Interpretation

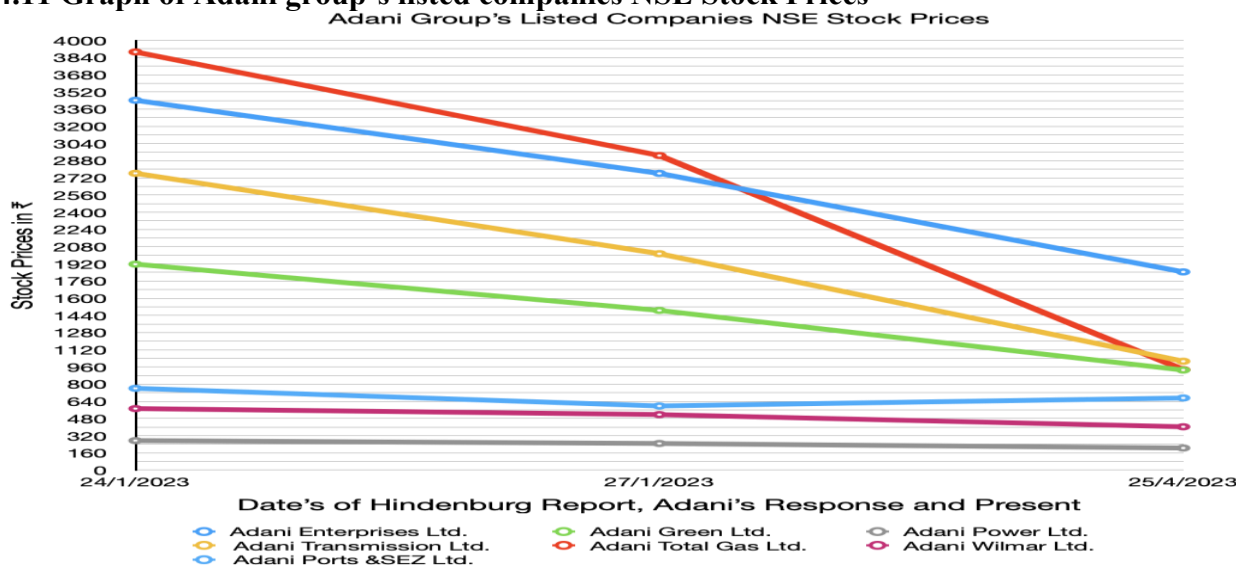
Overall, the data indicates that the stock prices of Adani Transmission Ltd. have been volatile in the given period, with a significant rise and fall in prices due to the Hindenburg Report and Adani Group's response. However, the stock prices have gradually increased after reaching their lowest point in February 2023. The report impacted Adani Transmission Ltd stock price on 24 Jan 2023 is 2762.15Rs in NSE and present price (i.e. 25 Apr 2023) is 1012.95Rs, that is **63.32% loss**.

1.4.8 Table of Adani Group Daughter companies NSE stock prices on specific dates.

Adani Group			
Comapany	24-Jan-23	27-Jan-23	25-Apr-23
Adani Enterprises Ltd	3442	2761.45	1844.6
Adani Green Energy Ltd	1916.8	1486.25	931.15
Adani Power Ltd	274.65	247.95	205.65
Adani Transmission Ltd	2762.15	2014.2	1012.95
Adani Wilmar Ltd	572.65	516.85	403.3

Adani Ports and SEZ Ltd	761.2	596.95	671.45
Adani Total Gas	3891.75	2928	935.25

1.4.11 Graph of Adani group’s listed companies NSE Stock Prices



Data Analysis

The Hindenburg Research report released in January 2023 had a significant negative impact on the Adani Group's stock prices. The report alleged that the Adani Group had engaged in accounting irregularities, inflated valuations, and opaque business practices. As a result, the stock prices of several Adani Group companies, including Adani Enterprises, Adani Ports and Special Economic Zone (SEZ), Adani Power, and Adani Total Gas, all fell sharply on the day the report was released.

- Adani Ports and SEZ's stock prices dropped by around 10%
- Adani Enterprises and Adani Power's prices fell by more than 20%.
- Adani Total Gas's prices fell by over 20%.
- Adani Wilmar's stock prices fell by around 4% on the NSE.
- Adani Green Energy's stock prices fell by around 25% on the NSE.
- Adani Transmission's stock prices fell by around 17%.

The report caused panic among investors, leading to a sell-off of Adani Group's stocks. The company's stock prices continued to decline for a few days after the report.

In one month, in percentage terms, the worst hit Adani stocks would be Adani Total Gas declining by nearly 81% followed by Adani Green and Adani Transmission with a drop of over 74.5% and 74%. While flagship firm Adani Enterprises also faced severe brunt as its share price dipped by nearly 62%.

Data Interpretation

The impact of the report was short-lived as the Adani Group quickly responded to the allegations, terming them baseless and saying they would take appropriate legal action. The group's response helped stabilize the stock prices to some extent. Nevertheless, the stock prices of Adani Group companies remain volatile as the issue is still being investigated by regulators and investors are watching for further developments.

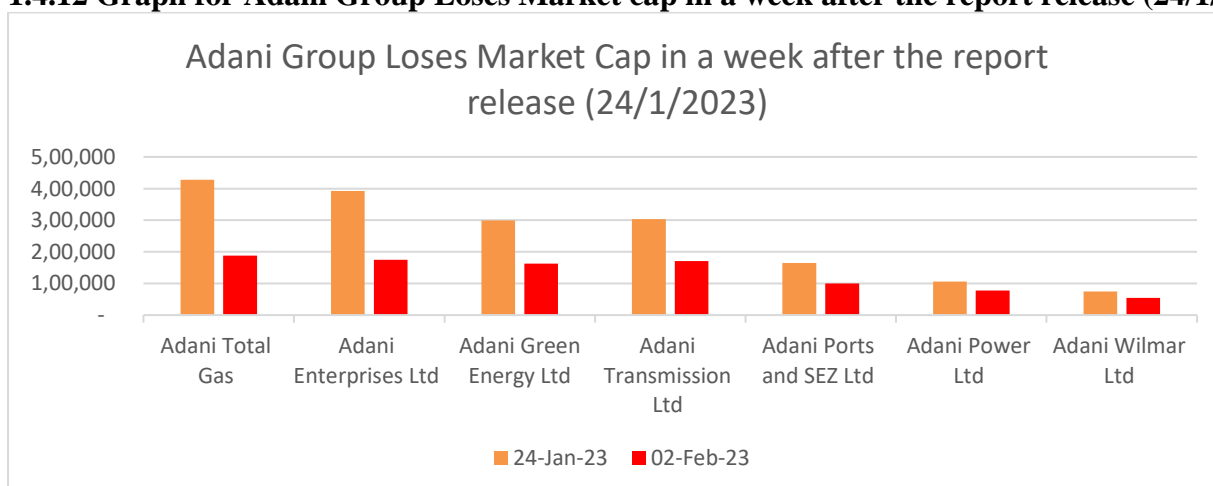
Though Adani Wilmar was not directly implicated in the Hindenburg Research report. However, the report did cast a shadow of doubt on the entire Adani Group, which could have indirectly impacted Adani Wilmar's stock prices.

- The report impacted **Adani Total Gas Ltd** stock price on 24 Jan 2023 is 3891.75Rs in NSE and present price (i.e. 25 Apr 2023) is 935.25Rs, that is **75.96% loss** .
- The report impacted **Adani Transmission Ltd** stock price on 24 Jan 2023 is 2762.15Rs in NSE and present price (i.e. 25 Apr 2023) is 1012.95Rs, that is **63.32% loss** .
- The report impacted **Adani Green Energy Ltd** stock price on 24 Jan 2023 is 1916.80Rs in NSE and present price (i.e. 25 Apr 2023) is 931.15Rs, that is **51.42% loss** .
- The report impacted **Adani Enterprise Ltd** stock price on 24 Jan 2023 is 3442Rs in NSE and present price (i.e. 25 Apr 2023) is 1844.60Rs, that is **46.40% loss** .
- The report impacted **Adani Wilmar Ltd** stock price on 24 Jan 2023 is 572.65Rs in NSE and present price (i.e. 25 Apr 2023) is 403.30Rs, that is **29.57% loss**.
- The report impacted **Adani Power Ltd** stock price on 24 Jan 2023 is 274.65Rs in NSE and present price (i.e. 25 Apr 2023) is 205.65Rs, that is **25.12% loss** .
- The report impacted **Adani Ports and SEZ Ltd** stock price on 24 Jan 2023 is 761.20Rs in NSE and present price (i.e. 25 Apr 2023) is 671.45Rs, that is **11.76% loss** .

1.4.9 Table of Adani Group Loses Market cap in a week after the report release (24/1/23).

Adani Group Loses Market cap in a week after the report release (24/1/23) in Cr				
Company	24-Jan-23	02-Feb-23	Difference	Percentage
Adani Total Gas	4,27,936	1,87,815	-2,40,122	-56%
Adani Enterprises Ltd	3,92,388	1,75,207	-2,17,182	-55%
Adani Green Energy Ltd	2,99,822	1,62,634	-1,37,188	-46%
Adani Transmission Ltd	3,03,768	1,70,597	-1,33,171	-44%
Adani Ports and SEZ Ltd	1,64,387	99,863	-64,523	-39%
Adani Power Ltd	1,06,066	77,929	-28,136	-27%
Adani Wilmar Ltd	74,342	54,716	-19,625	-26%

1.4.12 Graph for Adani Group Loses Market cap in a week after the report release (24/1/2023).



Data Analysis

The Adani Group faced another disastrous day on the market as the shares of its listed companies continued their downward spiral for the sixth consecutive session following the conglomerate's

decision to call off its fully subscribed Rs 20,000 crore follow-on-public offer (FPO) late on Wednesday.

In past trading days, the total market capitalisation (m-cap) of nine Adani group companies has been eroded by \$ 107 billion (Rs 8.65 lakh crore) or 45 per cent.

The market cap of nine Adani stocks has reduced from Rs 19.2 lakh crore before the short-seller's attack, to Rs 10.5 lakh crore at the end of the trading session on February 2, 2023.

Adani Total Gas, the top loser among the pack, saw Rs 2.39 lakh crore of market cap erosion during the period, while Adani Enterprises (Rs 1.86 lakh crore), Adani Green Energy (Rs 1.39 lakh crore) and Adani Transmission's (Rs 1.33 lakh crore) market-cap have all slipped by over Rs 1 lakh crore in the past six trading days.

Apart from this, state insurer Life Insurance Corporation of India (LIC) and State Bank of India (SBI), which have liberal investments in the group, have seen substantial market cap erosion of over Rs 1.2 lakh crore or \$ 15 billion.

The withdrawal of the FPO has further raised concerns on how the Adani group will now look to service the over Rs 2.2 lakh crore debt on its books. Of which Adani Green Energy has the maximum amount of debt crossing Rs 52,000 crores followed by Adani Ports and Adani Power which have over 45,000 crores of debt

Group chairman Gautam Adani said the rationale behind withdrawing Adani Enterprises FPO was to insulate investors from potential losses.

"After a fully subscribed FPO, the decision of its withdrawal would have surprised many. But considering the volatility of the market seen yesterday, the board strongly felt that it would not be morally correct to proceed with the FPO," said Adani.

Data interpretation

Prior to the release of the Hindenburg Report, the market valuation of the Adani Group's firms was around Rs. 12.14 lakh crore (as of September 13, 2022). Within four days of the report's publication, the market capitalization of the Adani Group lost a total of about Rs. 1.43 lakh crore as a result of sharp drops in the stock prices of several of its companies. Because to the Hindenburg Report, the market capitalization of the companies owned by the Adani Group is thought to have decreased by about 11.8% (1.43 lakh crore loss divided by 12.14 lakh crore market value prior to the report's publication).

Impact of Adani's Group's Response on the capital market

Data Analysis

Adani Group's response to criticism and controversy can have an impact on the capital market in several ways. The capital market is affected by various factors such as investor sentiment, market conditions, and the company's performance, including its reputation and ESG practices.

Some possible impacts of Adani Group's response on the capital market are:

1. Share price: The company's response to controversy and criticism may affect its share price in the short-term. A positive response that addresses the concerns of stakeholders and demonstrates the company's commitment to ESG practices may boost investor confidence and lead to an increase in share prices. Conversely, a negative response that fails to address stakeholders' concerns may lead to a decrease in share prices.

2. Investor confidence: Adani Group's response may impact investor confidence, which can affect the demand for the company's shares in the market. A proactive and positive response can improve investor confidence and attract more investment, while a negative response can undermine investor confidence and lead to decreased demand for the company's shares.

3. Access to capital: Adani Group's response to ESG concerns can impact its ability to access capital markets. Investors are increasingly looking for companies that prioritize sustainability and responsible business practices. By responding positively and proactively to concerns raised by stakeholders, Adani Group may be able to access more capital from investors who prioritize ESG factors.

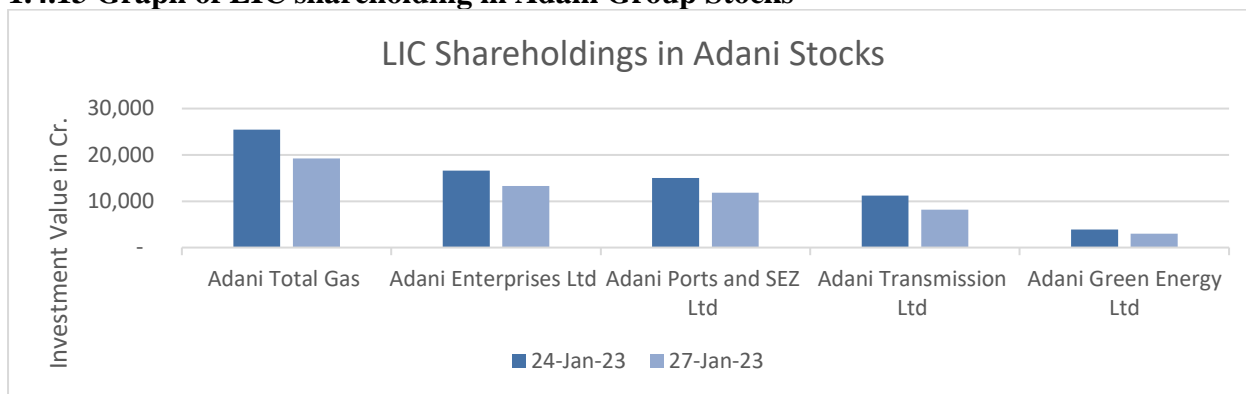
Data Interpretation

Overall, Adani Group's response to criticism and controversy can have a significant impact on the capital market. By responding positively and proactively to ESG concerns, the company can potentially enhance its reputation and attract more investment, which could lead to long-term benefits for the company and its stakeholders.

1.4.10 Table of LIC shareholding in Adani Group Stocks

LIC shareholding in Adani Stocks					
Company	No of Shares	%	Investment value (Rs Cr)		
			24-Jan-23	27-Jan-23	Change
Adani Total Gas	6,55,88,170	5.96	25,484	19,247	-6,237
Adani Enterprises Ltd	4,81,74,654	4.23	16,585	13,307	-3,279
Adani Ports and SEZ Ltd	19,75,26,194	9.14	15,029	11,824	-3,205
Adani Transmission Ltd	4,06,76,207	3.65	11,211	8,175	-3,036
Adani Green Energy Ltd	2,03,09,080	1.28	3,886	3,015	-871

1.4.13 Graph of LIC shareholding in Adani Group Stocks



Data Analysis

The ongoing fall in Adani Group stocks made a deep dent in their investors' portfolios in mere two trading sessions. The country's biggest institutional investor, Life Insurance Corporation of India (LIC), is one of those affected investors. LIC's combined investment in Adani group stocks plunged to Rs 62,621 crore on January 27, 2023 from Rs 81,268 crore on January 24, 2023, indicating a notional loss of Rs 18,647 crore.

Data available with Ace Equity showed that LIC held over 1 per cent stake in Adani Enterprises, Adani Green Energy, Adani Ports, Adani Total Gas, Adani Transmission and recently acquired cement major Ambuja Cements and ACC as of December 31, 2022. Shares of these companies tanked somewhere between 19 per cent and 27 per cent in the past two trading sessions.

Shares of the group came under pressure after a report by Hindenburg Research claiming that the Indian giant had engaged in stock manipulation and accounting fraud scheme over the course of last few decades. Meanwhile, Jugeshinder Singh, Group CFO, Adani in a media statement said, “The report is a malicious combination of selective misinformation and stale, baseless and discredited allegations that have been tested and rejected by India’s highest courts.”

He further added that the timing of the report’s publication clearly betrays a brazen, mala fide intention to undermine the Adani Group’s reputation with the principal objective of damaging the upcoming follow-on public offering from Adani Enterprises, the biggest FPO ever in India. Adani Enterprises’ Rs 20,000 crore FPO opened for subscription on January 27.

In absolute terms, the total investment of LIC in Adani Total Gas declined by Rs 6,237 crore since January 24. It was followed by Adani Enterprises (down 3,279 crore), Adani Ports (down Rs 3,205 crore), Adani Transmission (down Rs 3,036 crore), Ambuja Cements (down Rs 1,474 crore), Adani Green Energy (down Rs 871 crore) and ACC (down Rs 544 crore).

Overall, the market capitalisation of 10-listed Adani Group companies tanked around Rs 4 lakh crore to nearly Rs 15 lakh crore on January 27 from Rs 19 lakh crore on January 24, 2023. Meanwhile, the benchmark equity index BSE Sensex also cracked 1,647 points, or 2.70 per cent, to 59,330.90.

Data Interpretation

In just two trading sessions, the stocks of the Adani Group severely damaged the portfolios of their investors. Life Insurance Corporation of India (LIC), the largest institutional investor in the nation, is one of those investors. From Rs 81,268 crore on January 24, 2023, LIC's total investment in Adani group equities fell to Rs 62,621 crore on January 27, 2023, representing a notional loss of Rs 18,647 crore.

CONCLUSION

The present project has been undertaken to study the impact of Hindenburg report on Adani group Stocks and Market Capitalization. It’s seen that the release of the Hindenburg report negatively impacted the stock price, but the company's response and subsequent market behaviour suggest a certain level of resilience.

In conclusion, the Hindenburg report on Adani Group raises serious concerns about the company’s financial and operational practices, as well as its environmental impact. While Adani Group has strongly denied the allegations, it is important for investors and regulators to take these concerns seriously and to undertake a thorough investigation of the claims made in the report. The report’s release is a reminder of the need for increased transparency and accountability in the business world and the importance of ensuring that companies operate ethically and sustainably.

- The report impacted Adani Enterprise Ltd stock price on 24 Jan 2023 is 3442Rs in NSE and present price (i.e. 25 Apr 2023) is 1844.60Rs, that is 46.40% loss .
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- The report impacted Adani Transmission Ltd stock price on 24 Jan 2023 is 2762.15Rs in NSE and present price (i.e. 25 Apr 2023) is 1012.95Rs, that is 63.32% loss .

- The market capitalization of Adani Group's companies before the publication of the Hindenburg Report was around Rs. 12.14 lakh crore (as of September 13, 2022).
- After the publication of the report, the stock prices of various Adani Group's companies declined significantly, resulting in a total loss of market capitalization of around Rs. 1.43 lakh crore within four days of the report's publication.
- Therefore, the loss in market capitalization of Adani Group's companies due to the Hindenburg Report is estimated to be around 11.8% (i.e., 1.43 lakh crore loss divided by 12.14 lakh crore market capitalization before the report's publication).
- Adani Group's response to criticism and controversy can have a significant impact on the capital market. By responding positively and proactively to ESG concerns, the company can potentially enhance its reputation and attract more investment, which could lead to long-term benefits for the company and its stakeholders.
- In two trading sessions, the stocks severely damaged the portfolios. Life Insurance Corporation of India (LIC), is one of their investors. From Rs 81,268 crore on January 24, 2023, LIC's total investment in Adani group equities fell to Rs 62,621 crore on January 27, 2023, representing a notional loss of Rs 18,647 crore.

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