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## A study on performances of IPO in recent years in India

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### Abstract

A well-developed capital market is the backbone of any economy. Its growth depends on active issuing companies and even the investors. Initial Public Offer (IPO) is one of the most popular techniques of raising capital by companies. The number of IPOs and the amount raised through them is on the rise over the years. Investors consider IPOs as a good option to earn financial gains in quick time. They take advantage of the difference in the issue price fixed during IPO and the price on the listing day. However all IPOs do not fetch higher price on the listing day. In the secondary market also, the issued shares generate fluctuating returns in short term and long term. The research paper studies all mainboard IPOs issued in the year 2021. It also analyses the performance of these IPOs on listing day, and even over two years.

**Keywords:** Initial public offer, under-priced, overpriced

### Introduction

Post LPG policy in 1991 there has been tremendous increase in the Indian Capital Market. Raising long term capital through public issues (IPO) is considered as one of the most popular methods by companies. In the past few years, there has been number of companies who have used this source of raising capital. Not only public companies but also private companies and even small and unlisted companies prefer to issue IPO for expansion, diversification and other long-term projects. (Khan, Ahmad, & Farooqi, 2021) <sup>[4]</sup>. The IPO is beneficial to companies as it not only raises capital for them but also diversifies holding of shareholders, improves liquidity and improves image of company in the market. (Nagtilak & Kulkarni, 2015) <sup>[8]</sup>

From the investors' point of view the main objective to apply for shares in IPO is to gain on listing and not investing for long term. If the investors get allotment in an IPO at a lower offer price and share get listed at higher price on the first day of listing the investor can make substantial gains. It is called as "Under Pricing" in the IPO market. The higher the underpricing, higher will be the gain for the investor. (Pande & Vaidyanathan, 2007) Under-priced IPOs provide higher returns to investors. Investors can also expect better returns in the long term if they buy shares on the listing day. (Khan, Ahmad, & Farooqi, 2021) <sup>[4]</sup>

This performance is determined by various factors. The timing of the IPO is a crucial factor. If it is launched during recession the investors may not be very keen to put the money in shares and the IPO may not fetch expected price. The success of IPO also depends on retail distribution through the brokers. IPO grading is also an important element which is informed and objective opinion expressed by a professional rating agency after proper research and analysis. (Khatri, 2017) <sup>[5]</sup>

However, there can be substantial difference between performance in the short term and that of in the long term. It is very important to study the long-term performance as a share is claimed to be a part of the total assets created in the long run by the company. The owners of such shares should be compensated well for their investment. (Murthy, Singh, & Gupta, 2016) <sup>[7]</sup>

### Literature review

1. Nagtilak and Kulkarni in their research paper in 2015 titled "A Study on Investors Perception towards Initial Public Offering in Mumbai" have discussed about the

2. concept, advantages and problems in IPO. The research focusses on perception of investors of Mumbai towards IPOs.
3. Bubna and Prabhala in their research paper in 2013 titled “Anchor Investors in IPOs” explain the concept of Anchor investors and their role in IPO process. They also explain the consequences on bidding, underpricing, and long-term returns in the IPO process. They conclude that anchor investors primarily influence short-run IPO underpricing and in the long run the anchor backed IPOs perform better.
4. Singh and Mohapatra in their research in 2020 on “Behavior of Indian IPO Market: An Empirical Study” IPOs over different periods based on variables amount of issue number of issues and average size. They observe that there is substantial increase in the IPO market where a large amount of capital is raised from a small number of issues.
5. Pande and Vaidyanathan in their study on “Determinants of IPO underpricing in the National Stock Exchange of India” explain the term underpricing in IPO. They also find out IPO returns within 1 month from IPO. The study also considers risks involved in IPO.
6. Namrata Khatri in her research paper on “Factors influencing investors investment in Initial Public Offering” state that majority of the investors take broker’s advice while investing in IPO. She finds of major factors that influence investors while investing in IPO which are company philosophy, future prediction and projection, news relating to company IPO and also the financial performance of the issuing company.
7. Murthy, Singh and Gupta in their research paper titled “Long-Run Performance of IPO Market in India” state that the short-term performances after IPO are lot different than the long-term performances. With the help of various ratios, they have tried to show that there can be negative performance in the long run even if there are gains in the short term.

### Objectives of the study

1.
  - To evaluate the rate of premium on IPOs.
  - To evaluate the performance of IPOs on listing day.
  - To analyses and compare short run and long run performance of IPOs.

### Research design and methodology

This research study is descriptive and analytical in nature. Total of 65 companies came up with IPOs in the year 2021 and were listed in Bombay Stock Exchange (BSE) in India. The data of all 65 companies is considered for study and analysis which are issuing IPOs in the year 2021. The analysis is based on data for a period of two years from the date of issue. The progressive growth of select sample was based on the data of returns on the listing day and also returns after one month, three months, six months, one year, one and half year and two years from the date of IPO. Wilcoxon Signed Rank Test was performed using MS Excel to evaluate the difference in the short-term and long-term performances.

### Hypothesis

H0 - There is no significant difference between the short-term return and long-term return.

H1 - There is a significant difference between the short-term return and long-term return.

### Data analysis and interpretations

Successful IPOs over the years

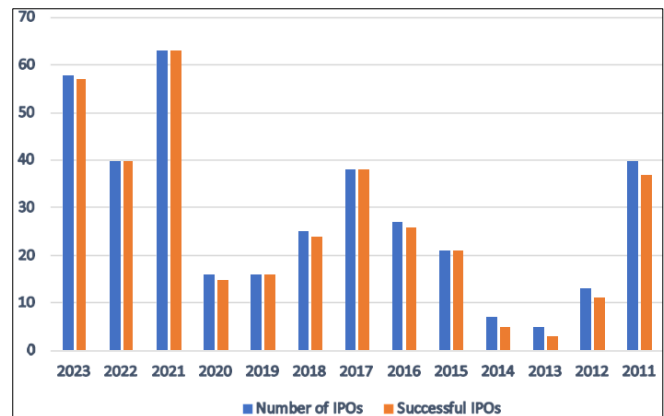


Chart 1: Successful IPOs over the years

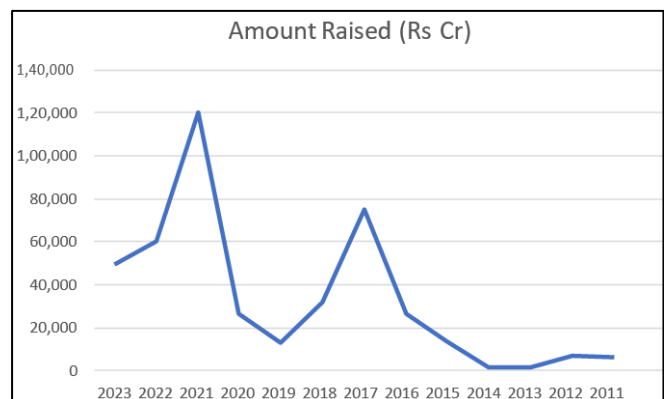


Chart 2: Amount raised through IPOs over the years

### Premium on issue of shares

As per the Section 52 of the Companies Act, 2013, a company can issue shares at a premium. The excess amount received by the company over and above the face value of its shares is called a Share Premium.

### Performance of IPOs on Listing Day:

The present study considers issue price and closing price on the listing day to evaluate performance of IPO on the listing day. The performance is categorized as *under-pricing and over-pricing* based upon the increase or decrease of stock prices on the listing day. When the closing stock prices are above the issue price, it is labelled as Under-priced and when the closing stock prices are below the issue price, it is labelled as Over-priced.

$$R_i = P_{i1} - P_{i0}/P_{i0}$$

Where,  $R_i$  = IPO subscriber’s initial return from security  $i$ .  
 $P_{i1}$  = Closing price of the IPO on the first day of trading.  
 $P_{i0}$  = Offer/issue price of the IPO scrip.

**Table 1:** Premium on Issue of Shares

Sr. No.	Name of Company	Issue Price (₹)	Face Value (₹)	Premium Amount (₹)
1	Indian Railway Finance Corporation Limited	26	10	16
2	Zomato Limited	76	1	75
3	Kalyan Jewellers India Limited	87	10	77
4	Devyani International Limited	90	1	89
5	RailTel Corporation of India Limited	94	10	84
6	POWERGRID Infrastructure Investment Trust	100	100	0
7	Shriram Properties Limited	118	10	108
8	Exxaro Tiles Limited	120	10	110
9	Laxmi Organic Industries Limited	130	2	128
10	Sigachi Industries Limited	163	10	153
11	Paras Defence And Space Technologies Limited	175	10	165
12	Easy Trip Planners Limited	187	2	185
13	Latent View Analytics Limited	197	1	196
14	CMS Info Systems Limited	216	10	206
15	Supriya Life science Limited	274	2	272
16	HP Adhesives Limited	274	10	264
17	Brookfield India Real Estate Trust REIT	275	10	265
18	Sona BLW Precision Forgings Limited	291	10	281
19	India Pesticides Limited	296	1	295
20	Suryoday Small Finance Bank Ltd	305	10	295
21	Shyam Metalics and Energy Limited	306	10	296
22	Aptus Value Housing Finance India Ltd	353	2	351
23	Stove Kraft Limited	385	10	375
24	Nureca Limited	400	10	390
25	Rategain Travel Technologies Limited	425	1	424
26	Dodla Dairy Limited	428	10	418
27	Tega Industries Limited	453	10	443
28	Windlas Biotech Limited	460	5	455
29	Macrotech Developers Limited	486	10	476
30	Metro Brands Limited	500	5	495
31	Barbeque Nation Hospitality Limited	500	5	495
32	Home First Finance Company India Ltd.	518	2	516
33	Vijaya Diagnostic Centre Limited	531	1	530
34	Chemplast Sanmar Limited	541	5	536
35	S.J.S. Enterprises Limited	542	10	532
36	Anand Rathi Wealth Limited	550	5	545
37	Anupam Rasayan India Limited	555	10	545
38	Nuvoco Vistas Corporation Ltd	570	10	560
39	MTAR Technologies Limited	575	10	565
40	Fino Payments Bank Limited	577	10	567
41	Data Patterns (India) Limited	585	2	583
42	Ami Organics Limited	610	10	600
43	Heramba Industries Limited	627	10	617
44	Tarsons Products Limited	662	2	660
45	Go Fashion (India) Limited	690	10	680
46	Aditya Birla Sun Life AMC Ltd	712	5	707
47	Glenmark Life Sciences Limited	720	2	718
48	Sansera Engineering Limited	744	2	742
49	Medplus Health Services Limited	796	2	794
50	Krishna Institute of Medical Sciences Limited	825	10	815
51	G R Infraprojects Limited	837	5	832
52	Star Health and Allied Insurance Company Ltd	900	10	890
53	Rolex Rings Limited	900	10	890
54	Clean Science and Technology Ltd	900	1	899
55	Krsnaa Diagnostics Limited	954	5	949
56	PB Fintech Limited	980	2	978
57	C.E. Info systems limited	1033	2	1031
58	Tatva Chintan Pharma Chem Ltd	1083	10	1073
59	Nazara Technologies Limited	1101	4	1097
60	FSN E-Commerce Ventures Limited	1125	1	1124
61	Sapphire Foods India Limited	1180	10	1170
62	Craftsman Automation Limited	1490	5	1485
63	Indigo Paints Limited	1490	10	1480
64	CarTrade Tech Limited	1618	10	1608
65	One 97 Communications Limited	2150	1	2149

Source: Compiled by researchers.

**Table 2:** Performance of IPOs on Listing Day

Sr No.	Name of Company	Issue Price	Closing price on listing date	Return	Performance
1	Indian Railway Finance Corporation Limited	26	25.8	-0.2	overpriced
2	Zomato Limited	76	125.85	49.85	Under-priced
3	Kalyan Jewellers India Limited	87	75.3	-11.7	Over-priced
4	Devyani International Limited	90	123.35	33.35	Under-priced
5	RailTel Corporation of India Limited	94	121.4	27.4	Under-priced
6	POWERGRID Infrastructure Investment	100	102.98	2.98	Under-priced
<b>Trust InvIT</b>					
7	Shriram Properties Limited	118	99.4	-18.6	Over-priced
8	Exxaro Tiles Limited	120	132.25	12.25	Under-priced
9	Laxmi Organic Industries Limited	130	164	34	Under-priced
10	Sigachi Industries Limited	163	603	440	Under-priced
11	Paras Defence And Space Technologies Limited	175	498.75	323.75	Under-priced
12	Easy Trip Planners Limited	187	208.3	21.3	Under-priced
13	Latent View Analytics Limited	197	488.6	291.6	Under-priced
14	CMS Info Systems Limited	216	237.4	21.4	Under-priced
15	Supriya Lifescience Limited	274	390	116	Under-priced
16	HP Adhesives Limited	274	334	60	Under-priced
17	Brookfield India Real Estate Trust REIT	275	269	-6	Over-priced
18	Sona BLW Precision Forgings Limited	291	362	71	Under-priced
19	India Pesticides Limited	296	343	47	Under-priced
20	Suryoday Small Finance Bank Ltd	305	276.2	-28.8	Over-priced
21	Shyam Metalics and Energy Limited	306	375	69	Under-priced
22	Aptus Value Housing Finance India Ltd	353	346.5	-6.5	Over-priced
23	Stove Kraft Limited	385	445	60	Under-priced
24	Nureca Limited	400	666.65	266.65	Under-priced
25	Rategain Travel Technologies Limited	425	340	-85	Over-priced
26	Dodla Dairy Limited	428	609.1	181.1	Under-priced
27	Tega Industries Limited	453	725	272	Under-priced
28	Windlas Biotech Limited	460	406.75	-53.25	Over-priced
29	Macrotech Developers Limited	486	463.15	-22.85	Over-priced
30	Metro Brands Limited	500	495	-5	Over-priced
31	Barbeque Nation Hospitality Limited	500	590	90	Under-priced
32	Home First Finance Company India Ltd.	518	527	9	Under-priced
33	Vijaya Diagnostic Centre Limited	531	619	88	Under-priced
34	Chemplast Sanmar Limited	541	550	9	Under-priced
35	S.J.S. Enterprises Limited	542	509.85	-32.15	Over-priced
36	Anand Rathi Wealth Limited	550	583	33	Under-priced
37	Anupam Rasayan India Limited	555	525.9	-29.1	Over-priced
38	Nuvoco Vistas Corporation Ltd	570	531	-39	Over-priced
39	MTAR Technologies Limited	575	1082	507	Under-priced
40	Fino Payments Bank Limited	577	545	-32	Over-priced
41	Data Patterns (India) Limited	585	754	169	Under-priced
42	Ami Organics Limited	610	934	324	Under-priced
43	Heramba Industries Limited	627	812	185	Under-priced
44	Tarsons Products Limited	662	840	178	Under-priced
45	Go Fashion (India) Limited	690	1252	562	Under-priced
46	Aditya Birla Sun Life AMC Ltd	712	699	-13	Over-priced
47	Glenmark Life Sciences Limited	720	748	28	Under-priced
48	Sansera Engineering Limited	744	818	74	Under-priced
49	Medplus Health Services Limited	796	1120	324	Under-priced
50	Krishna Institute of Medical Sciences Limited	825	995	170	Under-priced
51	G R Infraprojects Limited	837	1746.8	909.8	Under-priced
52	Star Health and Allied Insurance Company Ltd	900	906.8	6.8	Under-priced
53	Rolex Rings Limited	900	1166.5	266.5	Under-priced
54	Clean Science and Technology Ltd	900	1585	685	Under-priced
55	Krsnaa Diagnostics Limited	954	990.75	36.75	Under-priced
56	PB Fintech Limited	980	1202.9	222.9	Under-priced
57	C.E. Info systems limited	1033	1394.55	361.55	Under-priced
58	Tatva Chintan Pharma Chem Ltd	1083	2310	1227	Under-priced
59	Nazara Technologies Limited	1101	1576.8	475.8	Under-priced
60	FSN E-Commerce Ventures Limited	1125	2206	1081	Under-priced
61	Sapphire Foods India Limited	1180	1216	36	Under-priced
62	Craftsman Automation Limited	1490	1433	-57	Over-priced
63	Indigo Paints Limited	1490	3118.65	1628.65	Under-priced
64	CarTrade Tech Limited	1618	1500	-118	Over-priced
65	One 97 Communications Limited	2150	1564	-586	Over-priced

Source: Compiled by researchers



The table 2 shows the performance of IPOs on the listing day issued in the year 2021. It can be interpreted that Forty-seven companies have under-priced their issue on the listing day, enabling more investors to trade in the secondary market. It can lead to increase in stock prices in case of under-pricing which might result in a positive return on the listing day. On the other hand, Eighteen companies are overpriced. It indicates lower returns on the listing day. It

shows a decrease in the closing price of share when compared with the issue price on the listing day. An over-priced issue of a company's stock may fall on its first day and its IPO being considered as a failure.

### Progressive Growth of IPO Returns in Short Term and Long-Term Period

**Table 3:** Progressive Growth of IPO Returns in Short Term and Long-Term Period

Sr. No.	Name of Company	Issue price %	1 month	3 Months	6 months	1 year	1.5 years	2 years
1.	Indian Railway Finance Corporation Limited	100	99.62	80.96	89.81	89.81	79.04	120.00
2.	Zomato Limited	100	164.08	181.25	117.83	70.59	67.70	105.66
3.	Kalyan Jewellers India Limited	100	70.86	90.52	80.52	70.06	108.97	126.55
4.	Devyani International Limited	100	128.67	166.50	183.83	220.39	170.50	219.83
5.	RailTel Corporation of India Limited	100	135.64	141.06	132.81	101.22	102.77	115.37
6.	Power grid Infrastructure Investment Trust InvIT	100	119.20	123.24	119.98	136.50	132.01	124.94
7.	Shriram Properties Limited	100	93.47	67.92	55.08	60.42	57.46	100.89
8.	Exxaro Tiles Limited	100	129.23	125.42	107.25	88.04	100.21	96.54
9.	Laxmi Organic Industries Limited	100	137.85	171.38	419.38	314.73	269.77	185.81
10.	Sigachi Industries Limited	100	24.93	19.56	16.44	14.94	14.94	32.18
11.	Paras Defence And Space Technologies Limited	100	529.89	424.57	367.94	398.74	268.77	416.86
12.	Easy Trip Planners Limited	100	23.73	51.28	88.55	84.26	111.14	24.87
13.	Latent View Analytics Limited	100	251.62	202.06	206.60	191.40	167.89	237.54
14.	CMS Info Systems Limited	100	121.97	125.46	106.50	144.70	170.35	172.13
15.	Supriya Lifescience Limited	100	169.12	181.08	128.36	85.78	90.46	108.41
16.	HP Adhesives Limited	100	28.69	27.63	26.07	27.24	31.16	37.41
17.	Brookfield India Real Estate Trust REIT	100	82.52	90.79	92.57	111.33	122.54	98.43
18.	Sona BLW Precision Forgings Limited	100	145.53	191.75	244.93	199.33	137.65	194.19
19.	India Pesticides Limited	100	110.64	104.59	108.34	93.21	81.71	76.96
20.	Suryoday Small Finance Bank Ltd	100	81.93	72.51	59.00	30.75	32.10	31.23
21.	Shyam Metals and Energy Limited	100	142.61	131.01	112.04	90.47	102.48	115.64
22.	Aptus Value Housing Finance India Ltd	100	96.23	99.18	93.47	98.96	70.11	76.33
23.	Stove Kraft Limited	100	130.68	130.48	210.77	225.77	144.30	117.12
24.	Nureca Limited	100	150.43	373.04	427.90	338.84	250.00	87.56
25.	Rategain Travel Technologies Limited	100	101.59	78.62	61.87	69.46	91.99	163.98
26.	Dodla Dairy Limited	100	144.35	138.73	128.57	112.25	118.15	136.45
27.	Tega Industries Limited	100	130.22	101.02	103.31	130.77	204.97	229.25
28.	Windlas Biotech Limited	100	83.68	64.09	57.45	46.37	55.58	87.13
29.	Macrotech Developers Limited	100	66.29	87.72	108.26	105.34	103.44	93.40
30.	Metro Brands Limited	100	120.35	116.58	112.12	165.13	193.46	259.92
31.	Barbeque Nation Hospitality Limited	100	115.92	181.32	225.11	240.67	213.90	134.28
32.	Home First Finance Company India Ltd.	100	102.34	99.67	112.50	142.92	161.42	142.10
33.	Vijaya Diagnostic Centre Limited	100	105.97	102.27	78.22	76.53	72.82	92.75
34.	Chemplast Sanmar Limited	100	112.37	113.61	88.95	78.00	70.78	96.20
35.	S.J.S. Enterprises Limited	100	71.03	71.38	69.33	85.02	88.15	114.39
36.	Anand Rathi Wealth Limited	100	113.01	103.64	112.61	116.28	157.27	465.09
37.	Anupam Rasayan India Limited	100	106.07	134.46	136.60	155.79	138.75	153.94
38.	Nuvoco Vistas Corporation Ltd	100	97.29	91.07	56.29	61.65	65.11	58.92
39.	MTAR Technologies Limited	100	163.69	171.51	244.70	348.22	286.26	284.26
40.	Fino Payments Bank Limited	100	69.44	64.33	45.01	33.72	36.61	48.15
41.	Data Patterns (India) Limited	100	126.72	115.01	110.75	173.48	308.07	335.53
42.	Ami Organics Limited	100	220.02	148.13	146.40	173.19	147.61	204.44
43.	Heranba Industries Limited	100	100.82	122.35	126.49	92.30	89.42	51.32
44.	Tarsons Products Limited	100	95.93	93.53	102.73	104.61	78.26	73.20
45.	Go Fashion (India) Limited	100	155.07	132.90	148.90	173.50	159.35	187.07
46.	Aditya Birla Sun Life AMC Ltd	100	87.04	82.39	74.46	61.15	47.31	64.38
47.	Glenmark Life Sciences Limited	100	93.60	87.60	78.94	62.38	52.26	88.13
48.	Sansera Engineering Limited	100	100.35	100.85	75.69	94.88	97.15	126.63
49.	Medplus Health Services Limited	100	153.98	120.28	94.10	79.74	98.36	91.28
50.	Krishna Institute of Medical Sciences Limited	100	146.12	148.35	163.67	140.98	187.55	206.97
51.	G R Infraprojects Limited	100	191.73	256.69	224.61	148.26	146.54	154.22
52.	Star Health and Allied Insurance Company Ltd	100	85.22	70.73	76.43	66.88	57.46	62.50
53.	Rolux Rings Limited	100	121.50	129.16	139.93	195.74	203.48	236.23
54.	Clean Science and Technology Ltd	100	171.57	225.54	264.67	192.93	157.94	146.24

55.	Krsnaa Diagnostics Limited	100	88.15	68.07	63.20	48.51	39.36	55.31
56.	PB Fintech Limited	100	163.88	156.30	133.53	110.92	126.22	211.34
57.	C.E. Info systems limited	100	104.84	72.75	62.46	38.95	58.71	77.71
58.	Tatva Chintan Pharma Chem Ltd	100	192.54	231.30	224.74	213.96	185.70	150.41
59.	Nazara Technologies Limited	100	78.87	75.44	105.68	75.33	59.34	46.91
60.	FSN E-Commerce Ventures Limited	100	31.33	24.37	19.40	18.48	11.04	13.32
61.	Sapphire Foods India Limited	100	103.69	119.94	90.11	113.77	110.02	118.33
62.	Craftsman Automation Limited	100	86.18	116.98	142.05	140.98	181.28	202.55
63.	Indigo Paints Limited	100	169.50	155.40	176.13	132.72	105.01	76.25
64.	CarTrade Tech Limited	100	81.93	64.84	36.34	39.17	57.32	30.60
65.	One 97 Communications Limited	100	61.44	38.76	26.77	25.44	33.03	41.32

Source: compiled by researchers

**Interpretation:** For the ease of interpretation and comparison, issue price of all companies is taken as base and is considered as 100.

This study examines the short-term returns over 1 month, 3 months, and 6 months, as well as the long-term returns over 1 year, 1.5 years, and 2 years for Initial Public Offerings

(IPOs). The findings indicate that 25.66% of IPOs experienced negative returns in the short term, while 29.66% of IPOs exhibited negative returns over the long term.

**Number of companies with their returns**

**Table 4:** Number of companies with Negative and Positive returns over short term and long term

Kind of Return	1 month	3 Months	6 months	1 year	1.5 years	2 years
Negative return	24	26	27	32	29	28
Positive return	41	39	38	33	36	37

Source: Based on analysis

**Interpretation:** From Table 4 it's noteworthy that a significant number of IPOs experienced negative returns in both short-term and long-term scenarios. This information could be valuable for investors, financial analysts, and researchers interested in understanding the performance trends of IPOs over different time horizons. Additionally, it may raise questions about the factors contributing to negative returns and the potential risks associated with investing in IPOs.

**Comparison of Short Term and Long-Term Returns**

Wilcoxon Signed Rank Test is used to analyse and compare short term and long-term performances of IPOs. It is a non-parametric statistical test used to identify whether there is a significant difference in the short run and long run performance.

**Table 5:** Comparison of Short Term and Long-Term Returns

		Rank			
		N	Sum of Rank	Mean	Std deviation
Returns in long term	Positive rank	30a	902	1072.5	153.02
Returns in short term	Negative rank	35b	1243		
	Ties	0c			
	Total	65			

Source: Based on analysis

- a. Returns in long term > Returns in short term.
- b. Returns in long term < Returns in short term.
- c. Returns in long term = Returns in short term

**Interpretation:** The table 5 shows the result of Wilcoxon Signed Rank Test. The mean rank in the short and long run period is categorized as positive and negative rank. Positive ranks indicate that the return in the long run is better when compared to short run and vice-versa. The difference in performance in the short and long run is compared by using data of the IPO return before and after 1-year. It is found that 30 companies are performing better in the long run over short run whereas 35 companies are earning better returns in

the short run over a long run period. Mean and standard deviation is calculated for 1 to 65 rank.

**Hypothesis testing**

The table 6 shows testing of hypotheses. The calculated z value is less than tabular Z value at 5% level of significance, indicating that there is a significant difference between the short term and long-term returns. Therefore, the research hypothesis is accepted at 5 % level of significance.

**Table 6:** Result of hypothesis testing

Hypothesis	Z value (calculated)	Z value (critical)	Result
H1: There is a significant difference between the short term and Long-term returns. (Based on positive rank)	1.1175	1.96	Accepted

## Conclusion

The study delved into IPOs performance on listing date and the post-listing behaviour of IPOs. The study found that IPOs which are under-pricing enabling more investors to trade in the secondary market and are yielding higher returns. The findings suggest that while there are opportunities for substantial returns for investors, IPO performance is inherently volatile and subject to market dynamics. It is valuable for investors, financial analysts, and researchers interested in understanding the performance trends of IPOs over different time horizons. This research paper serves as a valuable resource for stakeholders interested in the performance of IPOs in India, and it opens avenues for further exploration into the intricacies of the IPO market in the years to come.

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