

Empirical Studies on Indian IPO's Market Performance

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Abstract-In recent times there had been lots of appetite for IPO's from all classes of market players. Many Public issues had also been oversubscribed. There is always a lingering question if in general IPO's yield positive or superlative returns. In this work market performance of 299 IPO's issued from 2010 to 2021 was studied. The results show that on an average the returns from IPO's are subdued. However, a deeper study reveals that some sectors and some years there are marked differences in IPO returns.

1.LITERATURE SURVEY

Dhamija et al studied the intial and after market performance of IPO's launched on SME platform by multivariate analysis and found significant underpricing. (1). Garima et al had examined the size of new issue on their survival profile and reasoned that bigger companies have the ability to withstand the rough of the market. (2). S. Singh et al found that only in year 2017 -18, IPO's gave favourable returns. (3). Khan et al found that holding IPO's gave superior returns. (4). Jyoti Singhal reasoned that issuers, underwriters and Institutions work in tandem to create first day IPO listing gains for overpriced IPO's (5). Levis argues that in contrast to the US practice, rights issues are the

predominant method of raising additional equity capital in the London market. the UK evidence for the period 1980-1991 provides no support to the hypothesis that IPO firms deliberately under-price to signal their quality and facilitate subsequent seasoned equity offerings. the level of initial returns is related neither to the size of the issue nor to the price response at the announcement of a rights issue. the results demonstrate, however, that firms with higher first day returns are quicker in returning to the market for additional equity capital. (6) Madhusoodanan et al found that in general, Indian IPOs are under-priced compared to other countries and in general give better long range returns (7). Narasimhan et al found initial IPO under-pricing with a view to come of later with higher seasonal issues (8).

2.DATA – IPO FROM 2010 TO 2021 AND ANALYSIS

The following table (Extracted from BSE website and money control website) organises IPO data in terms of date of issue, issue size, listing gains and Gains to present.

TABLE – 1

Date	IPO Name	Issue Size (in crores)	Issue	Listing Close	Listing Gains (in %)	CMP (as on 02-09-2022)	Current Gains (in %)	Sector
31/12/21	CMS Info System	1100	216	237.40	9.91	259.00	19.91	Software & IT services
28/12/21	Supriya Lifesci	700	274	390.35	42.46	355.00	29.56	healthcare
27/12/21	HP Adhesives	125.96	274	334.95	22.24	458.60	67.37	Software & IT services
24/12/21	Data Patterns	601.2	585	754.85	29.03	754.85	29.03	Aviation
22/12/21	Metro Brands	1376.63	500	493.55	-1.29	470.80	-5.84	Footwear
21/12/21	C. E. Info Syst	1039.61	1033	1394.55	35.00	1432.45	38.67	Software & IT Services
20/12/21	Shriram Prop	600	118	99.40	-15.76	83.40	-29.32	Real Estate
17/12/21	Rategain Travel	1354	425	340.50	-19.88	371.95	-12.48	Software & IT Services
14/12/21	Anand Rathi	660	550	583.50	6.09	571.10	3.84	Finance
13/12/21	Tega Industries	619.23	453	725.50	60.15	584.10	28.94	Capital Goods
10/12/21	Star Health	7318.15	900	906.85	0.76	787.55	-12.49	Insurance
26/11/21	Tarsons Product	1030.22	662	840.00	26.89	634.45	-4.16	Plastic Products
23/11/21	Latent View	622.11	197	488.60	148.02	495.70	151.62	Software & IT Services
18/11/21	One 97 Paytm	18915.9	2150	1564.15	-27.25	1369.50	-36.30	FinTech
18/11/21	Sapphire Foods	2073	1180	1216.05	3.06	1187.00	0.59	Hospitality

15/11/21	SJS Enterprises	816.57	542	509.85	-5.93	350.60	-35.31	Automobile & Ancillaries
15/11/21	PB Fintech	6273.5	980	1202.90	22.74	984.00	0.41	Insurance
15/11/21	Sigachi Ind	125	163	603.75	270.40	397.70	143.99	Healthcare
12/11/21	Fino Payments	1209	577	545.25	-5.50	388.80	-32.62	Finance
10/11/21	FSN E-Co Nykaa	5375	1125	2206.70	96.15	2044.85	81.76	E-Commerce
11/10/21	ABSL AMC	2768	712	699.65	-1.73	511.85	-28.11	Finance
01/10/21	Paras Defence	181.13	175	498.75	185.00	686.30	292.17	Defense
24/09/21	Sansera Eng	1282	744	818.70	10.04	748.40	0.59	Automobile & Ancillaries
14/09/21	Vijaya Diagnost	1895.04	531	619.30	16.63	533.05	0.39	Healthcare
14/09/21	AMI Organics	571.96	610	934.55	53.20	931.70	52.74	Chemicals
06/09/21	APTUS VALUE	2790	353	374.05	5.96	334.00	-5.38	Finance
24/08/21	CHEMPLAST SANMA	3929.91	541	534.90	-1.13	548.65	1.41	Chemicals
23/08/21	Nuvoco Vistas	5089.29	570	531.30	-6.79	496.75	-12.85	Construction Materials
20/08/21	CarTrade Tech	2998	1618	1500.10	-7.29	827.95	-48.83	Automobile & Ancillaries
16/08/21	Windlas Biotech	405.95	460	406.70	-11.59	266.45	-42.08	Healthcare
16/08/21	Krsnaa Diagnost	1222	954	990.75	3.85	652.40	-31.61	Healthcare
16/08/21	Exxaro Tiles	161.09	120	132.25	10.21	143.00	19.17	Construction Materials
16/08/21	Devyani Int	1858	90	123.35	37.06	167.65	86.28	FMCG
09/08/21	Rolex Rings	732.27	900	1166.55	29.62	1159.35	28.82	Metals & Mining
06/08/21	Glenmark Life	1513	720	748.20	3.92	605.35	-15.92	Healthcare
29/07/21	Tatva Chintan	500	1083	2310.25	113.32	2501.90	131.02	Chemicals
23/07/21	Zomato	9375	76	125.85	65.59	131.45	72.96	Software & IT Services
19/07/21	Clean Science	1546	900	1585.20	76.13	2400.15	166.68	Chemicals
19/07/21	G R Infra	963.28	837	1746.80	108.70	1656.45	97.90	Infrastructure
07/07/21	India Pesticide	800	296	335.45	13.33	320.50	8.28	Chemicals
05/07/21	Krishna Inst.	2146	825	1096.80	32.95	1352.00	63.88	Healthcare
28/06/21	Dodla Dairy	521	428	609.10	42.31	545.15	27.37	FMCG
24/06/21	Shyam Metalics	909	306	375.85	22.83	320.50	4.74	Metals & Mining
24/06/21	Sona BLW	5550	291	362.85	24.69	715.00	145.70	Automobile & Ancillaries
14/05/21	PowerGrid InvIT	7734.99	100	102.98	2.98	120.58	20.58	Infrastructure
19/04/21	Macrotech Dev	2500	486	463.15	-4.70	1248.00	156.79	Real Estate
07/04/21	Barbeque Nat	453.6	500	590.40	18.08	1224.15	144.83	FMCG
30/03/21	Nazara	582.91	1101	1576.80	43.22	2260.55	105.32	Software & IT Services
26/03/21	Kalyan Jeweller	1175	87	75.30	-13.45	67.80	-22.07	Diamond & Jewellery
26/03/21	Suryoday Small	582.34	305	276.20	-9.44	146.75	-51.89	Banks
25/03/21	Craftsman	823.7	1490	1433.00	-3.83	2275.95	52.75	Capital Goods
25/03/21	Laxmi Organic	600	130	164.60	26.62	396.80	205.23	Chemicals
24/03/21	Anupam Rasayan	760	555	525.90	-5.24	904.25	62.93	Chemicals
19/03/21	Easy Trip	510	187	208.30	11.39	514.00	174.87	Hospitality
15/03/21	MTAR Tech	596.41	575	1082.25	88.22	2261.90	293.37	Aviation
05/03/21	Heranba	60	627	812.25	29.55	644.00	2.71	Chemicals
26/02/21	Railtel	819.24	94	121.40	29.15	115.70	23.09	Telecom
25/02/21	Nureca	100	400	666.65	66.66	1412.90	253.23	Healthcare
05/02/21	Stove Kraft	412.63	385	445.95	15.83	963.40	150.23	Consumer Durables
03/02/21	Home First	1153.72	518	527.40	1.81	815.55	57.44	Finance
02/02/21	Indigo Paints	1170.56	1490	3118.65	109.31	1924.00	29.13	Chemicals
29/01/21	IRFC	4633	26	24.85	-4.42	22.55	-13.27	Finance
01/01/21	Antony Waste	300.53	315	407.25	29.29	294.70	-6.44	Waste Management
24/12/20	Bectors Food	540.54	288	595.55	106.79	378.70	31.49	FMCG
14/12/20	Burger King	796.5	60	138.40	130.67	143.40	139.00	FMCG
20/11/20	Gland	6479.55	1500	1820.45	21.36	3876.75	158.45	Healthcare
02/11/20	Equitas Bank	517.6	33	32.75	-0.76	60.30	82.73	Banks
12/10/20	UTI AMC	2159.88	554	476.60	-13.97	1028.75	85.69	Finance
12/10/20	Mazagon Dock	443.69	145	173.00	19.31	261.85	80.59	Ship Building
05/10/20	Angel One	600	306	275.85	-9.85	1162.20	279.80	Finance
01/10/20	CAMS	2244.33	1230	1401.60	13.95	2593.65	110.87	Finance
01/10/20	Chemcon Special	318	340	584.80	72.00	359.25	5.66	Chemicals
21/09/20	Route	600	350	651.10	86.03	1701.00	386.00	Software & IT Services
17/09/20	Happiest Minds	702.02	166	371.00	123.49	1262.60	660.60	Software & IT Services
23/07/20	Rossari	496.25	425	742.35	74.67	1250.00	194.12	Chemicals
16/03/20	SBI Card	10286.2	755	683.20	-9.51	908.15	20.28	Finance
30/12/19	Prince Pipes	500	178	166.60	-6.40	698.00	292.13	Plastic Products

12/12/19	Ujjivan Small	750	37	55.90	51.08	18.60	-49.73	Banks
04/12/19	CSB Bank	409.68	195	300.10	53.90	228.60	17.23	Banks
14/10/19	IRCTC	635.04	320	145.72	-54.46	836.95	161.55	Tour Travel Related Services
20/08/19	Sterling & Wils	3125	780	725.35	-7.01	383.00	-50.90	Power
04/07/19	Indiamart Inter	474.12	973	1302.55	33.87	6453.90	563.30	E-Commerce
08/05/19	Neogen	131.48	215	263.55	22.58	1591.10	640.04	Chemicals
15/04/19	Metropolis	1200.18	880	959.55	9.04	3278.30	272.53	Healthcare
11/04/19	Rail Vikas	430.88	19	19.05	0.26	33.85	78.16	Infrastructure
01/04/19	Embassy Office	4750	300	314.10	4.70	343.74	14.58	Real Estate
29/03/19	MSTC	213.81	128	114.20	-10.78	328.50	156.64	Trading
07/02/19	Chalet Hotels	1628.84	280	290.40	3.71	220.00	-21.43	Hospitality
04/02/19	Xelpmoc Design	23	66	58.80	-10.91	382.00	478.79	Information Technology
08/10/18	AAVAS Financier	1729.2	821	773.15	-5.83	2464.85	200.23	Finance
23/08/18	CreditAccess Gr	1126.44	422	420.80	-0.28	615.30	45.81	Finance
30/07/18	TCNS Clothing C	1121.98	716	657.80	-8.13	784.80	9.61	Textiles
02/07/18	RITES	453.6	185	170.16	-8.02	259.50	40.27	Textiles
02/07/18	Fine Organics	597.87	783	822.80	5.08	3752.00	379.18	Chemicals
21/05/18	Indostar Capita	1844	572	585.50	2.36	234.00	-59.09	Finance
05/04/18	ICICI Securitie	4016	520	444.90	-14.44	756.40	45.46	Finance
04/04/18	Mishra Dhatu Ni	438.38	90	90.00	0.00	178.70	97.70	Metals & Mining
28/03/18	Hindustan Aeron	4229	1215	1128.35	-7.13	1230.30	1.26	Aviation
27/03/18	Bandhan Bank	4473	375	477.20	27.25	255.15	-31.96	Banks
23/03/18	Bharat Dynamics	960.94	428	390.70	-8.71	381.40	-10.89	Defense
09/03/18	HG Infra Engg	457.7	270	270.05	0.02	592.00	119.26	Infrastructure
26/02/18	Aster DM Health	980.14	190	179.85	-5.34	171.90	-9.53	Healthcare
08/02/18	Galaxy Surfacta	937.09	1480	1698.10	14.74	3068.00	107.30	Chemicals
30/01/18	Amber Enterpris	600	859	1237.25	44.03	3365.60	291.80	Consumer Durables
29/01/18	Newgen Software	424.62	245	253.00	3.27	572.40	133.63	Software & IT Services
22/01/18	Apollo Micro Sy	156	275	454.10	65.13	126.65	-53.95	Electricals
29/12/17	Astron Paper &	70	50	119.70	139.40	49.50	-1.00	Paper
18/12/17	Future Supply	649.69	664	685.80	3.28	68.45	-89.69	Logistics
15/12/17	Shalby	504.8	248	239.25	-3.53	133.35	-46.23	Healthcare
17/11/17	HDFC Life	8695.01	290	344.25	18.71	636.90	119.62	Insurance
14/11/17	Khadim India	493.06	750	688.50	-8.20	253.25	-66.23	Footwear
10/11/17	Mahindra Logist	829.36	429	429.15	0.03	668.85	55.91	Logistics
06/11/17	Nippon	1542	252	284.00	12.70	336.85	33.67	Finance
25/10/17	General Insuran	11372	912	435.20	-52.28	134.00	-85.31	Insurance
23/10/17	IEX	1000.7	1650	54.22	-96.71	250.80	-84.80	Power
16/10/17	Godrej Agrovet	1157.31	460	595.55	29.47	536.80	16.70	FMCG
05/10/17	Prataap Snacks	481.94	938	1178.30	25.62	820.60	-12.52	FMCG
03/10/17	SBI Life Insura	8400	700	708.00	1.14	1148.20	64.03	Insurance
27/09/17	ICICI Lombard	5700.94	661	681.55	3.11	1342.95	103.17	Insurance
25/09/17	Capacite Infra	400	250	342.40	36.96	172.85	-30.86	Real Estate
21/09/17	Matrimony.com	501.07	985	901.20	-8.51	847.00	-14.01	Consumer Services
18/09/17	Dixon Technolog	599.28	1766	578.56	-67.24	5412.30	206.47	Consumer Durables
18/09/17	Bharat Road Net	600.65	205	208.15	1.54	29.70	-85.51	Infrastructure
04/09/17	Apex Frozen	152.25	175	209.85	19.91	288.40	64.80	FMCG
11/08/17	Cochin Shipyard	1454	432	522.00	20.83	335.00	-22.45	Ship Building
10/08/17	SIS	362.25	815	378.35	-53.58	444.00	-45.52	Security Service
25/07/17	Salasar Techno	35.87	108	272.10	151.94	233.05	115.79	Capital Goods
10/07/17	AU Small Financ	1912.51	358	541.20	51.17	1029.55	187.58	Banks
04/07/17	GPL Hathway	484.8	170	171.65	0.97	253.95	49.38	Telecom
30/06/17	CDSL	523.99	149	261.60	75.57	1463.60	882.28	Finance
29/06/17	Eris Life	1741.1	603	601.05	-0.32	685.00	13.60	Healthcare
27/06/17	Tejas Networks	326.69	257	263.30	2.45	409.80	59.46	Telecom
06/06/17	IndiGrid InvIT	2250	100	95.08	-4.92	145.00	45.00	Power
29/05/17	PSP Projects	211.68	210	208.95	-0.50	463.15	120.55	Real Estate
19/05/17	HUDCO	1224	58	72.50	25.00	39.05	-32.67	Finance
09/05/17	S Chand and Co	325	670	675.85	0.87	108.45	-83.81	Printing & Stationery
05/04/17	Shankara Buildi	232.96	460	632.80	37.57	520.00	13.04	Metals & Mining
31/03/17	CL Educate	238.95	500	208.95	-58.21	107.10	-78.58	Education
21/03/17	Avenue Supermar	1870	299	640.75	114.30	4627.20	1447.56	Retailing
17/03/17	Music Broadcast	488.53	333	59.70	-82.07	23.10	-93.06	Media & Entertainment
03/02/17	BSE Limited	1243	806	1069.20	32.66	1860.15	130.79	Finance
19/12/16	Laurus Labs	560.7	428	96.10	-77.55	502.85	17.49	Healthcare

09/12/16	Sheela Foam	178.5	730	1032.00	41.37	3099.90	324.64	FMCG
08/11/16	Varun Beverages	1114	445	205.29	-53.87	839.30	88.61	FMCG
07/11/16	PNB Housing Fin	3000	775	890.60	14.92	497.00	-35.87	Finance
19/10/16	Endurance Techn	1161	472	647.70	37.22	1603.60	239.75	Automobile & Ancillaries
04/10/16	HPL Electric &	361	202	189.05	-6.41	67.00	-66.83	Capital Goods
29/09/16	ICICI Prudentia	6057	334	297.65	-10.88	563.90	68.83	Insurance
27/09/16	GNA Axles	130.41	207	233.45	12.78	668.90	223.14	Automobile & Ancillaries
23/09/16	L&T Technology	900	860	865.10	0.59	5342.85	521.26	Capital Goods
31/08/16	RBL Bank	1100	225	299.30	33.02	172.50	-23.33	Banks
12/08/16	S P Apparels	215	268	295.00	10.07	399.30	48.99	Textiles
11/08/16	Dilip Buildcon	430	219	251.95	15.05	479.15	118.79	Real Estate
01/08/16	Advanced Enzyme	60	896	235.66	-73.70	329.45	-63.23	Healthcare
21/07/16	L&T Infotech	1242	710	697.65	-1.74	7170.00	909.86	Software & IT Services
12/07/16	Quess Corp	400	317	503.00	58.68	800.00	152.37	Business Services
01/07/16	Mahanagar Gas	1039.64	421	519.90	23.49	849.00	101.66	Industrial Gases & Fuels
19/05/16	Parag Milk Food	764.3	215	247.80	15.26	107.50	-50.00	FMCG
10/05/16	Ujjivan Financi	358.16	210	231.60	10.29	130.65	-37.79	Finance
09/05/16	Thyrocare Techn	479.21	446	618.10	38.59	1005.25	125.39	Healthcare
21/04/16	Equitas Holding	2159	110	135.25	22.95	113.15	2.86	Finance
01/04/16	Bharat Wire Rop	70	45	45.40	0.89	54.55	21.22	Metals & Mining
18/02/16	Quick Heal Tech	450	321	254.45	-20.73	226.80	-29.35	Software & IT Services
12/02/16	TeamLease Ser.	273.68	850	1021.95	20.23	3661.95	330.82	Human Resource Services
08/02/16	Precision Camsh	410	186	177.25	-4.70	128.10	-31.13	Automobile & Ancillaries
06/01/16	Narayana Hruda	613	250	336.70	34.68	569.15	127.66	Healthcare
23/12/15	Alkem Lab	1349.6	1050	1381.45	31.57	3466.90	230.18	Healthcare
23/12/15	Dr Lal PathLab	638	550	824.15	49.85	3515.30	539.15	Healthcare
16/11/15	S H Kelkar	200	180	207.30	15.17	148.70	-17.39	Diversified
10/11/15	Interglobe Avi	3000	765	878.45	14.83	1959.00	156.08	Aviation
02/11/15	Coffee Day	1150	328	270.15	-17.64	43.10	-86.86	Hospitality
16/09/15	Sadbhav Infra	425	103	106.15	3.06	13.78	-86.62	Infrastructure
10/09/15	Pennar Eng	156.19	178	157.50	-11.52	63.85	-64.13	Capital Goods
10/09/15	Shree Pushkar	70	65	63.00	-3.08	204.20	214.15	Chemicals
09/09/15	Navkar Corp	600	155	166.40	7.35	39.75	-74.35	Logistics
26/08/15	Power Mech	273.22	640	585.75	-8.48	939.00	46.72	Infrastructure
11/08/15	Syngene Intl	550	250	155.20	-37.92	590.50	136.20	Healthcare
09/07/15	Manpasand Bever	400	320	163.43	-48.93	6.14	-98.08	FMCG
26/05/15	PNC Infratech	488	378	72.04	-80.94	264.35	-30.07	Infrastructure
14/05/15	UFO Moviez	600	625	598.80	-4.19	93.10	-85.10	Media & Entertainment
06/05/15	MEP Infra	324	63	60.95	-3.25	18.70	-70.32	Infrastructure
30/04/15	VRL Logistics	473.88	205	293.30	43.07	449.20	119.12	Logistics
09/04/15	Inox Wind	700	325	438.00	34.77	116.20	-64.25	Capital Goods
06/04/15	Imagicaaworld	467	180	191.25	6.25	11.33	-93.71	Media & Entertainment
19/03/15	Ortel Comm	240	181	171.95	-5.00	1.60	-99.12	Media & Entertainment
19/12/14	Monte Carlo	342.28	645	566.40	-12.19	567.05	-12.09	Textiles
01/10/14	Shemaroo Ent	120	170	171.00	0.59	121.00	-28.82	Media & Entertainment
23/09/14	Sharda Crop	352	156	231.45	48.37	338.45	116.96	Chemicals
12/09/14	Snowman Logist	197.4	47	78.75	67.55	40.25	-14.36	Logistics
09/05/14	Wonderla	181.25	125	157.60	26.08	202.90	62.32	Hospitality
05/06/13	Just Dial	950	530	611.45	15.37	798.90	50.74	Software & IT Services
01/04/13	Repc Home	270.38	172	160.85	-6.48	261.00	51.74	Finance
28/12/12	INDUS TOWERS	4533.6	220	191.20	-13.09	249.60	13.45	Telecom
27/12/12	PC Jeweller	609.3	135	74.50	-44.81	24.70	-81.70	Diamond & Jewellery
26/12/12	CARE Ratings	539.98	750	923.95	23.19	588.35	-21.55	Credit Rating
30/05/12	Speciality Rest	181.96	150	160.65	7.10	92.55	-38.30	Hospitality
09/05/12	Tribhovandas	210	120	111.20	-7.33	76.45	-36.29	Diamond & Jewellery
12/04/12	NBCC (India)	127.2	106	6.47	-93.90	42.00	-60.38	Construction
12/04/12	MT Educare	99	80	90.35	12.94	9.25	-88.44	Education
28/03/12	Olympic Cards	25	30	28.50	-5.00	3.86	-87.13	Printing & Stationery
09/03/12	MCX India	663.31	1032	1297.05	25.68	1581.95	53.29	Finance
02/11/11	Indo Thai Secu	33.6	74	23.00	-68.92	276.30	273.38	Finance
24/10/11	Vaswani Ind	49	49	17.75	-63.78	15.63	-68.10	Metals & Mining
20/10/11	Ujaas Energy	93	186	31.76	-82.92	3.98	-97.86	Capital Goods

19/10/11	Flexituff Ventu	104.63	155	166.40	7.35	21.80	-85.94	Textiles
17/10/11	Onelife Capital	36.85	110	145.90	32.64	14.23	-87.06	Finance
04/10/11	Setubandhan Inf	60	138	22.95	-83.37	2.49	-98.20	Infrastructure
26/09/11	PG Electroplast	120.65	210	411.65	96.02	698.75	232.74	Consumer Durables
16/09/11	SRS	227.5	58	16.83	-70.98	0.19	-99.67	Diversified
08/09/11	TD Power System	227	256	274.80	7.34	400.95	56.62	Capital Goods
05/09/11	Brooks Labs	63	100	50.20	-49.80	94.10	-5.90	Healthcare
26/08/11	Tree House	112.06	135	116.55	-13.67	11.02	-91.84	Education
12/08/11	L&T Finance	1245	52	46.46	-10.65	76.90	47.88	Finance
04/08/11	Inventure Grow	81.9	117	5.20	-95.56	2.55	-97.82	Finance
28/07/11	Bharatiya Glob	55.1	82	30.95	-62.26	3.93	-95.21	Software & IT Services
13/07/11	Kridhan Infra	34.75	108	13.29	-87.69	6.66	-93.83	Metals & Mining
07/07/11	Rushil Decor	40.64	72	104.49	45.12	423.75	488.54	Paper
14/06/11	VMS Industries	25.75	40	28.50	-28.75	13.11	-67.23	Ship Building
23/05/11	Sanghvi Forging	36.9	85	111.75	31.47	16.50	-80.59	Automobile & Ancillaries
10/05/11	Future Consumer	750	10	8.30	-17.00	7.35	-26.50	FMCG
06/05/11	Muthoot Finance	901.25	175	176.25	0.71	1470.05	740.03	Finance
30/03/11	PTC India Fin	438.76	28	24.90	-11.07	18.25	-34.82	Finance
24/03/11	Lovable Lingeri	93.28	205	249.20	21.56	160.00	-21.95	Textiles
11/03/11	Fineotex Chem	30.32	70	14.09	-79.87	128.80	84.00	Chemicals
11/03/11	Sudar Ind	69.98	77	113.10	46.88	1.02	-98.68	Textiles
10/02/11	Omkar Special	79.38	98	46.20	-52.86	38.90	-60.31	Chemicals
30/12/10	Punjab & Sind	480	120	127.05	5.87	15.95	-86.71	Banks
23/12/10	A2Z Infra Eng	675	400	328.90	-17.78	7.49	-98.13	Construction
15/12/10	MOIL	1260	375	233.25	-37.80	180.10	-51.97	Metals & Mining
06/12/10	RPP Infra Proj	48.75	75	52.00	-30.67	53.70	-28.40	Infrastructure
16/11/10	Gravita India	45	125	42.08	-66.34	256.05	104.84	Metals & Mining
04/11/10	Coal India	15475	245	342.35	39.73	145.90	-40.45	Metals & Mining
27/10/10	Gyscoal Alloys	54.67	71	8.16	-88.51	4.63	-93.48	Metals & Mining
27/10/10	Prestige Estate	1200	183	192.55	5.22	466.20	154.75	Real Estate
20/10/10	Oberoi Realty	1028.61	260	282.95	8.83	840.30	223.19	Real Estate
18/10/10	Commercial Eng	172.41	127	112.25	-11.61	43.45	-65.79	Automobile & Ancillaries
14/10/10	Ashoka Buildcon	225	324	73.33	-77.37	92.15	-71.56	Infrastructure
14/10/10	Sea TV Network	50.2	100	106.00	6.00	5.32	-94.68	Media & Entertainment
14/10/10	Bedmutha Ind	91.8	102	180.80	77.25	65.00	-36.27	Metals & Mining
13/10/10	Va Tech Wabag	472.6	1310	341.88	-73.90	305.65	-76.67	Water Supply & Management
12/10/10	Cantabil Retail	105	135	104.75	-22.41	719.80	433.19	Textiles
08/10/10	Ramky Infra	530	450	387.35	-13.92	204.25	-54.61	Infrastructure
08/10/10	Orient Green	900	47	44.90	-4.47	15.57	-66.87	Power
08/10/10	Electrosteel St	248	11	11.25	2.27	31.05	182.27	Metals & Mining
06/10/10	Eros Intl	350	175	190.05	8.60	18.40	-89.49	Media & Entertainment
06/10/10	Career Point	115	310	632.35	103.98	133.30	-57.00	Education
05/10/10	Sasta Sundar	147.5	118	110.90	-6.02	445.30	277.37	Finance
29/09/10	Indosolar	357	29	23.70	-18.28	6.51	-77.55	Electricals
09/09/10	Gujarat Pipavav	500	46	54.05	17.50	94.00	104.35	Logistics
25/08/10	Prakash Steelag	68.75	110	18.80	-82.91	5.47	-95.03	Metals & Mining
18/08/10	Bajaj Consumer	297	660	151.65	-77.02	197.95	-70.01	FMCG
21/07/10	Hindustan Media	270	166	189.20	13.98	69.75	-57.98	Media & Entertainment
16/07/10	Technofab Engg	71.76	240	295.65	23.19	6.85	-97.15	Infrastructure
21/05/10	Jaypee Infra	1650	102	91.30	-10.49	2.73	-97.32	Real Estate
20/05/10	SJVN	1079	26	25.05	-3.65	28.50	9.62	Power
19/05/10	GB Global	107.9	130	133.65	2.81	9.80	-92.46	Textiles
18/05/10	Tarapur Trans	63.75	75	56.90	-24.13	5.01	-93.32	Capital Goods
13/05/10	NEL HOLDINGS SO	405	54	50.95	-5.65	2.82	-94.78	Real Estate
10/05/10	Talwalkars Fitn	77.44	128	162.60	27.03	1.45	-98.87	Hospitality
16/04/10	Goenka Diamond	145	135	12.79	-90.53	1.53	-98.87	Diamond & Jewellery
12/04/10	Intrasoft Tech	53.65	145	159.35	9.90	222.45	53.41	Software & IT Services
09/04/10	Shree Ganesh	385.29	260	163.25	-37.21	0.82	-99.68	Diamond & Jewellery
06/04/10	Persistent	168.01	310	204.00	-34.19	4621.95	1390.95	Software & IT Services
30/03/10	ILandFS Trans	700	258	253.68	-1.67	5.01	-98.06	Infrastructure
29/03/10	DQ Entertain	128.38	80	108.55	35.69	1.03	-98.71	Media & Entertainment
11/03/10	Man Infra	142	252	46.43	-81.58	97.00	-61.51	Infrastructure

10/03/10	Texmo Pipes	45	90	137.25	52.50	68.95	-23.39	Plastic Products
03/03/10	ARSS Infra	103	450	736.30	63.62	29.30	-93.49	Infrastructure
25/02/10	Hathway Cable	735.4	240	41.56	-82.68	21.20	-91.17	Telecom
24/02/10	Emmbi Ind	43.08	45	28.65	-36.33	99.60	121.33	Capital Goods
24/02/10	DB Realty	1500	468	455.40	-2.69	45.35	-90.31	Real Estate
19/02/10	Thangamayil	38	75	71.10	-5.20	1309.95	1646.60	Diamond & Jewellery
15/02/10	Vascon Engineer	199.8	165	146.38	-11.28	24.05	-85.42	Real Estate
15/02/10	Syncom Health	56.25	75	87.85	17.13	4.06	-94.59	Healthcare
08/02/10	Jubilant Food	328.7	145	114.50	-21.03	3435.15	2269.07	FMCG

3.1 Listing returns and post listing returns as on 02 September 2022.

The descriptive statistics of the listing returns are as under: The data set is nearly symmetrical and leptokurtic, indicating that only few issues are contributing superior returns. Only 114 of 275 IPO's gave listing returns of more than 10%. And 127 IPO's gave less than 1% listing returns.

TABLE-2

Mean	7.837382
Standard Error	2.892641
Median	3.06
Mode	3.06
Standard Deviation	47.96903
Sample Variance	2301.028
Kurtosis	4.042436
Skewness	0.923552
Range	367.11
Minimum	-96.71
Maximum	270.4
Sum	2155.28
Count	275
Largest(1)	270.4
Smallest(1)	-96.71
Confidence Level(95.0%)	5.694626

The probability matrix of IPO listing returns is computed in Table – 3. Hence over 55% IPO's had negative listing returns. And only 4% of IPO's gave over 100% returns. And high kurtosis of 4.04 indicates high riskiness of IPO investment.

TABLE - 3

RETURNS	PROBABILITY
>100%	0.043
50 -100%	0.08
20 -50%	0.196
10 -20 %	0.098
0 – 10 %	0.141
< 0 %	0.558

The post listing returns to date 02 Sept 22 is computed in Table 4. The data set is highly skewed and leptokurtic. This is in contrast to low skewness of 0.93 for IPO listing returns. Only 136 of 275 IPO's could give over 10% return post IPO listing to date. 132 of 275 IPO's gave less than 1% post listing to date returns. This means blind investments in IPO's would not work. A very high kurtosis of 29.21 indicates its

far more riskier to hold on to IPO's than selling it on listing.

TABLE - 4

Mean	73.92891
Standard Error	15.48171
Median	5.66
Mode	0.59
Standard Deviation	256.7352
Sample Variance	65912.95
Kurtosis	29.21543
Skewness	4.668755
Range	2368.75
Minimum	-99.68
Maximum	2269.07
Sum	20330.45
Count	275
Largest(1)	2269.07
Smallest(1)	-99.68
Confidence Level(95.0%)	30.47823

The probability matrix of IPO returns when adopting buy and hold strategy is: Hence, over 55% IPO's underperform even the risk free return when held.

TABLE - 5

RETURNS	PROBABILITY
>1000%	0.018
500 -1000%	0.029
100 -500%	0.229
50 -100 %	0.094
20 – 50 %	0.076
< 20 %	0.554
DELISTED / MERGED	0.0872

Averages may not reveal the true story. Hence year wise listing gains and gains to date of both mean and median returns were calculated and shown in Table - 5. Median listing returns were less than 5% (including negative) in 8 out of 12 years. Exceptional median listing gain returns of over 12% was seen only in years 2014,2016,2020 and 2021. And when we look into the median gains of IPO's when followed buy and hold strategy, 6 years of 12 gave negative returns and only in 2019 and 2020, the returns were in excess of 150%. This could be due to investors missing out on good IPO issues during COVID for variety of reasons.

3.2 Percentage of Increase and decrease on Listing (company wise) (Graphical view)

The IPOs that were listed from 2010 to 2021 have all attained listing gains and losses on the listing day. The following graph (Figure 1) shows that listing gains or

listing losses on the listing day in the chronological order of date of listing.

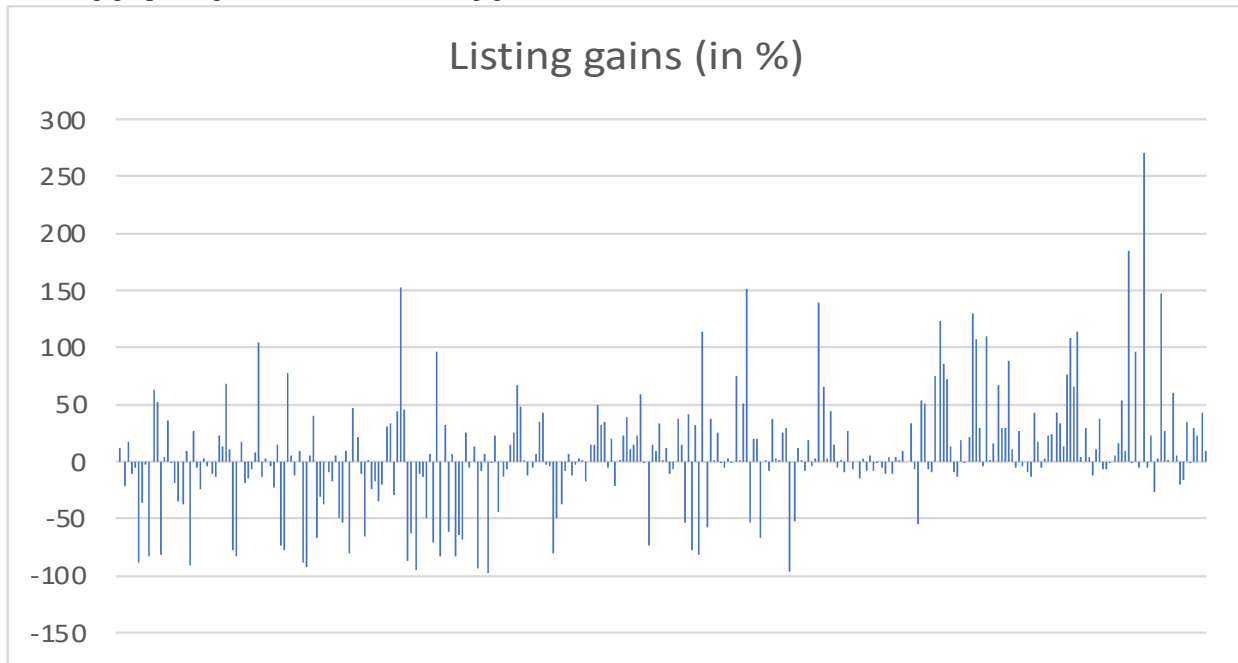


FIGURE - 1

It is evident from the above graph that the listing gains and losses were less but mixed in the beginning of the decade, whereas in the recent years the listing losses have minimized and the listing gains have been exponentially high.

3.3 Current Gains (Or Gains to Date as on 02 SEPT 2022) –Graphical View

The following Graph (FIGURE 2) shows the Current Gains or losses of the stock with reference to the issue price of the stock during the IPO.

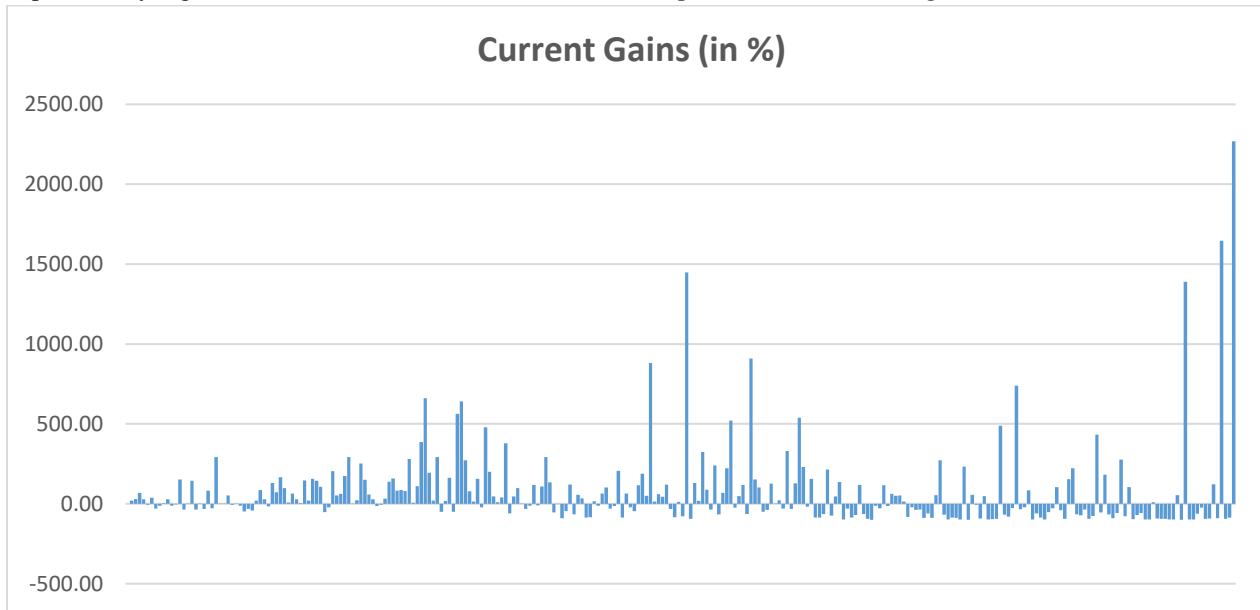


FIGURE 2

It is observed that the Current Gains on a share that have been issued In the earlier half of the research is comparatively moderate and the Current Gains on a

share that have been issued In the recent years either have an abnormal profit or an abnormal loss.

3.4 Histogram (No of Increase or decrease percentage wise)

The following graph (FIGURE 3) shows the Increase or decrease of a share price in Current Market price with respect to the listing price.

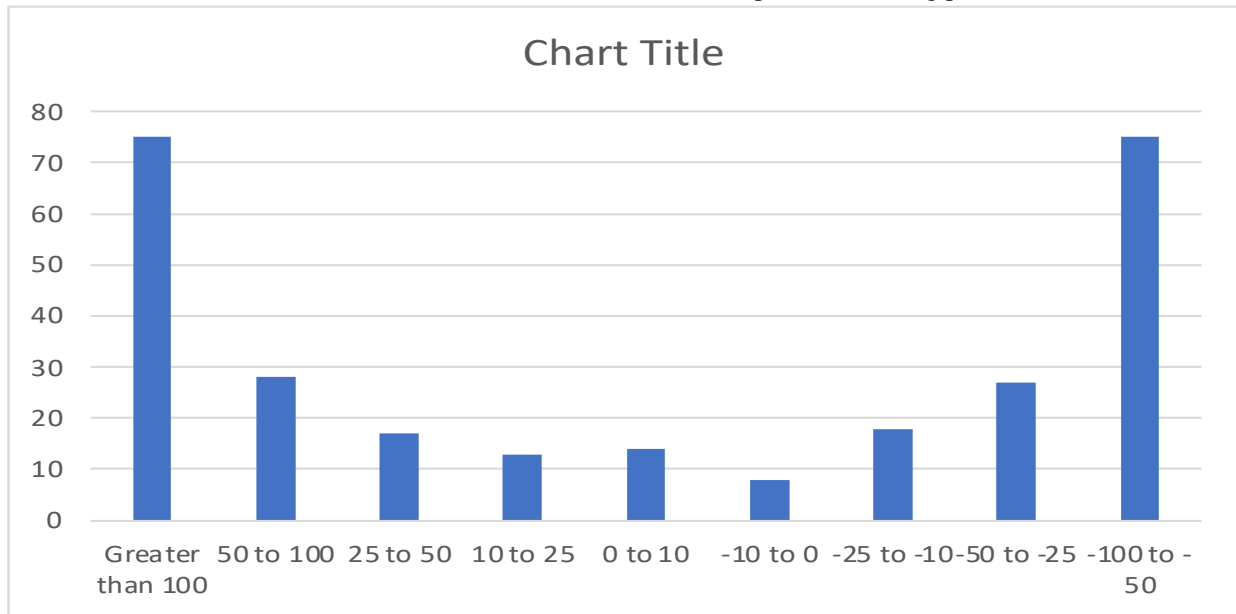


FIGURE 3

It is observed that the CMP of a share is most likely to increase more than 50% of its issue price or decrease more than 50% of its issue price in the long run.

to date respectively. Its clear that there are sector preferences by the Investors. Retail, IT and Defence components dominates both the listing and post listing higher returns.

3.5 Sector Performance Figures 4 and 5 shows the sector wise performance, both listing and post listing

Listing Gains

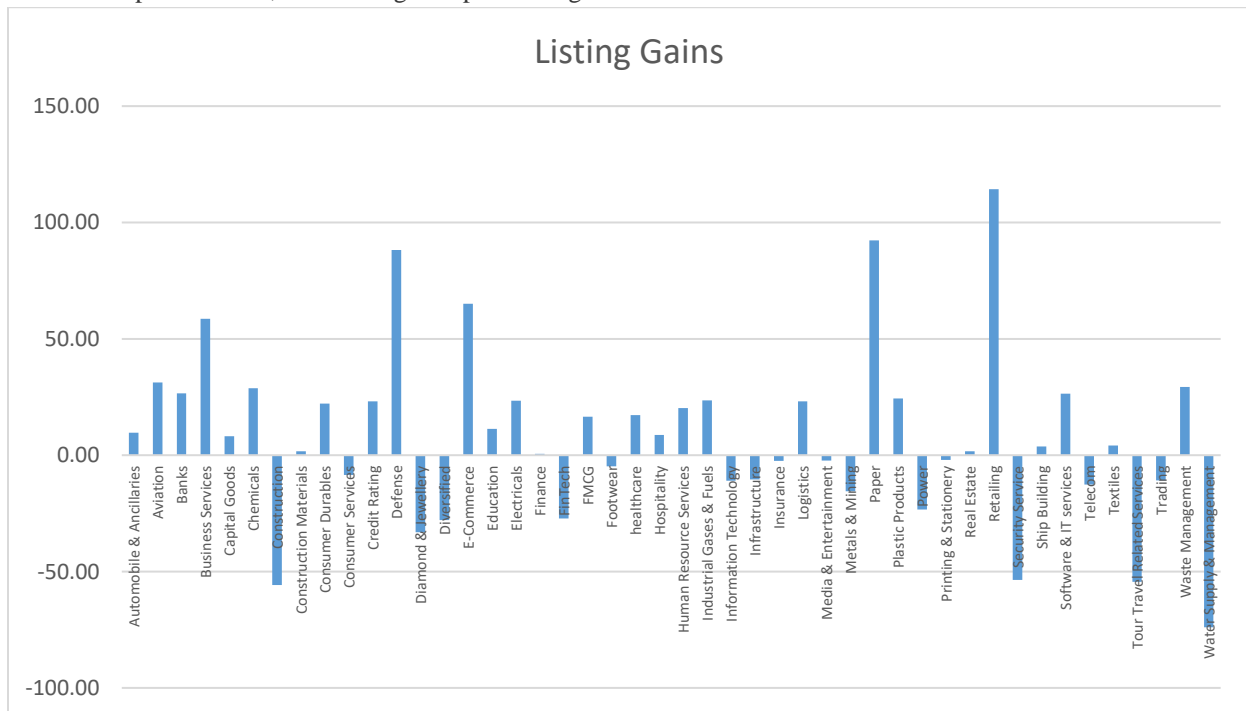
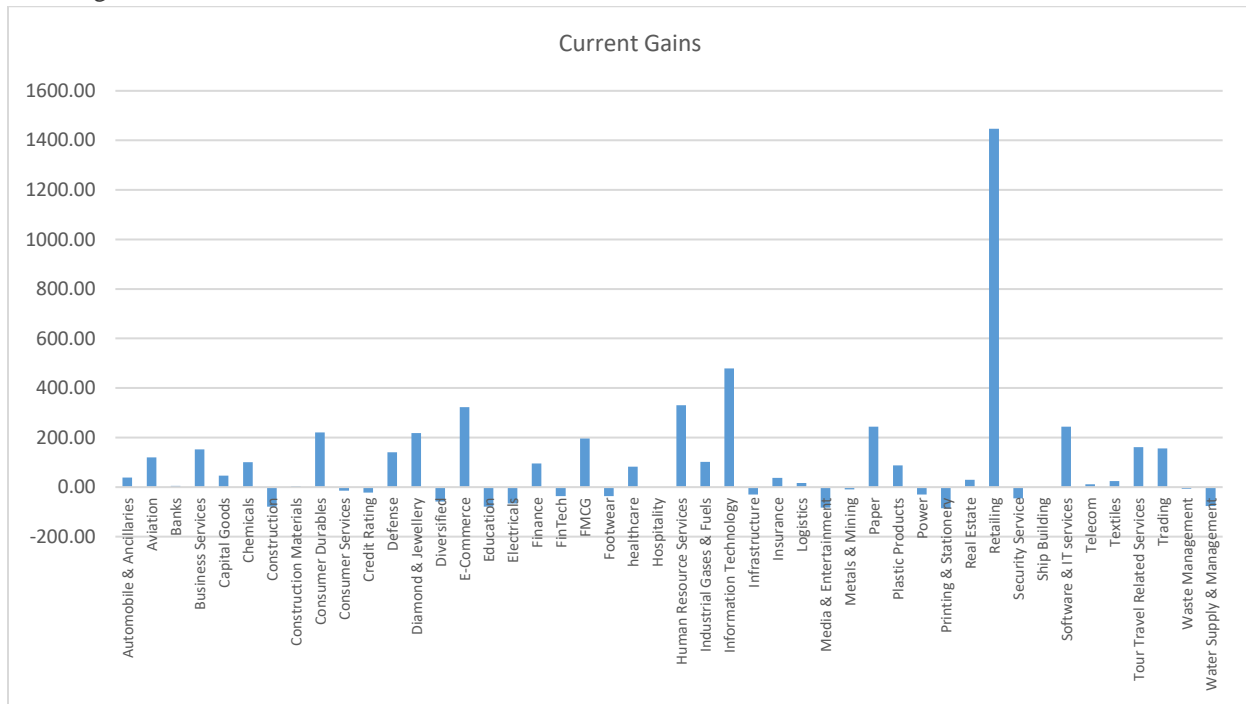


FIGURE 4

Current gains



3.6 Year wise IPO performance is shown in Table 5
 Its clear from the table that both listing and post listing returns of IPO's is varied across years, with second half of decade being much better than the first half, with 2019 and 2020 being exceptionally good. This is in conformance with other work. As the data has extraneous values, median would be a better metric of Average.

Table 5

YEAR	NO OF ISS	LIST AVG	LIST MED	CMGA	CMPGM
2010	49	-11.35	-5.65	84.6	-70.01
2011	25	-23	-17	24	-67
2012	9	-10	-5	-38	-38
2013	2	4.4	4.4	51.2	51.2
2014	5	26	26	24	-12
2015	19	-0.79	-3	30	-64
2016	25	5.62	12.78	123.4	68
2017	35	10.54	2.45	81.6	13.6
2018	17	6.11	0	76.82	45.46
2019	13	6.89	3.71	196.37	156.64
2020	13	47.24	21.36	171.9	110.87
2021	63	31.03	16.63	48.9	48.9

Legend: ISS ---No of Issues
 MED Median
 List AVGMean Lising price
 List Med Median listing Price
 CMPAPost listing mean as on 02 Sept 2022
 CMPGMPost Lising Median Returns

3.7 SECTOR WISE GAINERS AND LAGGARDS

Its easily understood that different sectors during different periods have investor preferences. The following table captures the same and shows sectors showing maximum median listing gains (In descending order)

Table -6

BANKS	30.93
CHEMICALS	24.6
AVIATION REL	21.93
FMCG	19.91
HEALTH CARE	12.83
IT/SOFTWARE	12.64
AUTO /ANCIL	10.04
MEDIA &ENT	6
INSURANE	1.14
METALS	0.64
FINANCE	0.215
REAL ESTATE	-1.59
INFRASTRUCTURE	-1.67
CAPITAL GOODS	-3.63
JEWELLERY	-25.3

Table 7 shows the post listing gains as on 02 Sept 22 for various sectors. Its seen that Investors have preference for Chemicals, Aviation components, IT and lately Insurance and Finance. The initial euphoria shown towards Banking sector, subsequently waned , perhaps due to monetary tightening policies of the RBI.

Table -7

CHEMICALS	95
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AVIATION REL	92.5
IT/SOFTWARE	70.16
INSURANCE	64.03
FINANCE	39.5
FMCG	31.49
CAPITAL GOODS	28.94
HEALTH CARE	23.52
REAL ESTATE	-7.37
METALS	-15.76
BANKS	-27.6
AUTO /ANCIL	-31.13
JEWELLERY	-58.5
INFRASTRUCTURE	-61.51
MEDIA &ENT	-93

Some of the companies studied got delisted, thus causing loss to the investors. These are shown in Table – 4 (8.72% of all IPO's issued). Hence such measures defeat the very purpose of IPO's

Date	IPO Name	Status
03/02/10	Infinite Comp	delist
23/02/10	Aqua Logistics	delist
18/03/10	United Bank	merger
05/04/10	Pradip Overseas	delist
01/07/10	Parabolic Drugs	delist
28/07/10	Shri Aster	delist
16/08/10	Bharat Fin	merger
01/10/10	Tirupati Inks	delist
12/10/10	Tecpro Systems	delist
27/10/10	BS Limited	delist
20/12/10	Claris Life	delist
20/01/11	C Mahendra Expo	delist

Date	IPO Name	Issue Size (in crores)	Issue Price	Listing Close	Listing Gains (in %)	CMP	Current Gains (in %)	Sector
21/03/17	Avenue Supermarts	1870	299	640.75	114.30	4627.20	1447.56	Retailing

Among all the IPOs that were offered to the public since 2010, Avenue Supermarts has the highest increase in share price with almost 16 times (at all time high of 4875.20) of its Issue price.

4 CONCLUSION

1. On average basis, returns from IPO are sub optimal and even by adopting buy and hold strategy returns are much lesser than risk free return.
2. IPO returns depends on the year of issue. Perhaps this could be explained by Business / Economic cycles.
3. IPO returns both listing and long term depends on sector to which the company belongs.
4. It appears that investors have stock specific criteria as for example Thangamayil Jewels gave superlative return in otherwise bleak Jewel

10/03/11	Acropetal Tech	delist
08/04/11	Shilpi Cable	bankruptcy
09/05/11	Paramount Print	delist
12/05/11	Servalakshmi	insolvent
13/05/11	Innoventive Ind	delist
27/05/11	Dr Datson Labs	delist
22/06/11	Timbor Home	suspended
07/07/11	Birla Pacific	delist
19/10/11	Taksheel Solut	delist
18/07/12	VKS Projects	delist
06/12/12	Tara Jewels	delist
21/09/15	Prabhat Dairy	delist

3.8 Star Performer

DMart's operator Avenue Supermarts doubled its first public offering. The share's issue price of Rs 299 was increased by 102% to Rs 604.4 when it was listed on the Bombay Stock Exchange. The public offering was oversubscribed 104.59 times, receiving bids totalling Rs 1.38 lakh crore against an issue size of Rs 1,326.70 crore (excluding the portion from anchor investors). Avenue Supermarts' Rs 1,870 crore initial public offering (IPO) was accessible for subscription from March 8–10 with a price range of Rs 295-299 per share.

/Diamond sector. Perhaps established corporate governance plays a role.

5. Only 4% IPO's gave superlative returns of over 1000% by adopting buy and hold strategy.
6. Hence IPO investing must be based on Sector, Business and Economic cycle analysis and as well as corporate Governance and viability of Business models.
7. In general IPO investing is risky (as seen in very high kurtosis of both listing and post listing gains) and hence there is a need for informed IPO investment instead of random investment.

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