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SHORT-TERM PERFORMANCE OF IPOs DURING POST-LISTING

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Abstract: **In recent period there was surge in investors' participation in Indian IPO Market. To take advantage of this development, many private companies had approached to primary market offering equity shares to general public. Many investors without having much knowledge about assessment of fundamentals of companies and their intrinsic value have invested their hard earned money into IPOs and suffered losses during post-listing period. This has motivated the researcher to take up the present study. The study reveals that few IPOs have performed outstanding during post-listing period, some have moderately performed and performance of some IPOs was worst during post-listing period.**

Keywords: **Initial Public Offer, Issue Price Post-Listing, Short-term Performance, Volatility.**

I. INTRODUCTION

In recent time there was a surge in number of investors' applying for IPOs and to capitalize this; large numbers of companies are floating IPOs. Post listing period poses challenges and offer opportunities for investors as well as to companies. There are ample examples wherein; i) investors suffered loss during short-term period and gained during long term period, ii) investors suffered loss during short-term period as well as during long term period, iii) investors made gains during short-term period and incurred loss during long term period, iv) investors made gains during short-term period as well as during long term period. The reasons for the same include; i) Economic, ii) Political, iii) International, iv) Industry-specific, v)Company-Specific, vi) Financial Specific, etc. the analysis various studies conducted in the past reveals that IPOs often exhibited significant high first-day returns, followed by a decline in performance over the long term. In the backdrop this, a study has been conducted to understand the Short term Performance of IPOs listed in Indian Stock Exchanges.

II. OBJECTIVES OF THE STUDY

1. To examine Short Term Performance of IPOs.
2. To investigate causes for under-performance or over-Performance of IPOs
3. To draw Conclusions and offer Recommendations.

III. LITERATURE REVIEW

Amit Kumar Singh (2020) investigated the Behavior of Indian IPO Market. The key objective of study is to investigate factors affecting pricing and measuring the effectiveness of pricing mechanisms. The study reveals that the phenomenon of undervaluation of Indian IPOs is high compared to international standards. Arwah Arjun Madan (2014) has thrown a light on performance of Initial Public Offerings (IPOs) in the Indian Capital Market. The key objective of his study is to examine the patterns of long-term performance. According to him under-pricing can result in large as well as short-term gains, but comparatively weak long-term performance. Himanshu Puri (2012) made an attempt to study short-run performance of Indian IPOs. According to him, IPOs typically exhibit significant initial under-pricing, yielding high first-day returns followed by subsequent declines. He suggested for strengthening regulatory frameworks for transparency, implementing investor education programs, encouraging optimal market timing, and providing post-IPO support

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mechanisms to stabilize prices and reduce volatility. Khan (2021) conducted a study of Stock Performance of Select IPO's in India. The key objective of study is to evaluate the rate of premium on IPOs, their performance on the listing day, and the comparison of short-run and long-run performance. The study reveals that financially strong, well-managed companies with good market reputations issued IPOs at a premium, attracting investor interest beyond the company's financial metrics. The Researcher cautioned to consider market conditions before investing in IPOs. Madhu Maheshwari (2022) in her investigation regarding effects of COVID-19 pandemic's on IPO has compared the under-pricing and subscription levels before and after the pandemic. According to her IPO performance was impacted by pandemic-induced volatility, with the technology and healthcare sectors faring better. Melati Ahmad Anuar, Shehzad Khan, and Muhammad Faizan Malik (2014) examined the short-term and long-term performance of Initial Public Offerings (IPOs). According to them Initial Public Offerings (IPOs) usually show favorable returns because of under-pricing; but, over time, these returns are frequently negatively impacted by factors such as market signaling and information asymmetry.

IV. RESEARCH METHODOLOGY

The present study is intended to examine the post-listing Performance of IPOs and to investigate reasons for Underperformance Or Over Performance of IPOs. The sample size consists of stocks from the listed companies in NSE. Convenience Sampling Method is used for selecting sample stocks. Statistical Tools such as percentage and Standard Deviation were used to analyze IPO performance over different time horizons. Data is sourced from financial databases, stock exchanges, and company filings. The data for the analysis has also been taken from the NSE website. The data analysis was carried out by using Microsoft Excel

V. DATA ANALYSIS

Table I: Short Term Performance of IPO of PNC Infratech Company Ltd

Date	Price	X	$(X-\bar{X})$	$(X-\bar{X})^2$
27-05-2015	80.56			
28-05-2015	81.08	0.65	0.49	0.24
29-05-2015	79.95	-1.39	-1.55	2.40
01-06-2015	80.72	0.96	0.81	0.65
02-06-2015	78.97	-2.17	-2.32	5.40
03-06-2015	77.1	-2.37	-2.52	6.37
04-06-2015	76.96	-0.18	-0.34	0.11
05-06-2015	75.89	-1.39	-1.55	2.39
08-06-2015	75.71	-0.24	-0.39	0.15
09-06-2015	75.87	0.21	0.06	0.00
10-06-2015	76.24	0.49	0.33	0.11
11-06-2015	74.92	-1.73	-1.89	3.56
12-06-2015	75.21	0.39	0.23	0.05
15-06-2015	75.98	1.02	0.87	0.75
16-06-2015	75.89	-0.12	-0.27	0.08
17-06-2015	75.99	0.13	-0.02	0.00
18-06-2015	77.61	2.13	1.98	3.91
19-06-2015	75.61	-2.58	-2.73	7.47
22-06-2015	75.77	0.21	0.06	0.00
23-06-2015	76.09	0.42	0.27	0.07
24-06-2015	75.84	-0.33	-0.48	0.23
25-06-2015	78.07	2.94	2.78	7.75
26-06-2015	79.92	2.37	2.21	4.90
29-06-2015	76.97	-3.69	-3.85	14.80
30-06-2015	77.88	1.18	1.03	1.05
01-07-2015	79.88	2.57	2.41	5.82
02-07-2015	78.99	-1.11	-1.27	1.61
03-07-2015	82.04	3.86	3.71	13.73
06-07-2015	81.44	-0.73	-0.89	0.79
07-07-2015	82.79	1.66	1.50	2.26
08-07-2015	80.27	-3.04	-3.20	10.24
09-07-2015	81.06	0.98	0.83	0.69
10-07-2015	81.31	0.31	0.15	0.02
13-07-2015	81.66	0.43	0.27	0.08
27-10-2015	102.9	-0.24	-0.40	0.16
28-10-2015	101.69	-1.18	-1.33	1.77
29-10-2015	101.7	0.01	-0.15	0.02
30-10-2015	102.03	0.32	0.17	0.03
02-11-2015	102.79	0.74	0.59	0.35
03-11-2015	105.17	2.32	2.16	4.66
04-11-2015	105.95	0.74	0.59	0.34
05-11-2015	103.43	-2.38	-2.53	6.42
06-11-2015	104.5	1.03	0.88	0.77
09-11-2015	105.42	0.88	0.72	0.53
10-11-2015	105.53	0.10	-0.05	0.00
11-11-2015	106.55	0.97	0.81	0.66
13-11-2015	105.29	-1.18	-1.34	1.79
16-11-2015	105.59	0.28	0.13	0.02
17-11-2015	105.78	0.18	0.02	0.00
18-11-2015	105.57	-0.20	-0.35	0.13
19-11-2015	106.95	1.31	1.15	1.33
20-11-2015	107.35	0.37	0.22	0.05
23-11-2015	107.9	0.51	0.36	0.13
24-11-2015	106.22	-1.56	-1.71	2.93
26-11-2015	106.3	0.08	-0.08	0.01
27-11-2015	106.22	-0.08	-0.23	0.05
30-11-2015	106.19	-0.03	-0.18	0.03
01-12-2015	107.94	1.65	1.49	2.23
02-12-2015	108.47	0.49	0.34	0.11
03-12-2015	107.76	-0.65	-0.81	0.66
04-12-2015	107.11	-0.60	-0.76	0.58
07-12-2015	105.48	-1.52	-1.68	2.81
08-12-2015	106	0.49	0.34	0.11
09-12-2015	106.54	0.51	0.35	0.13
10-12-2015	105.98	-0.53	-0.68	0.46
11-12-2015	106.57	0.56	0.40	0.16
14-12-2015	105.9	-0.63	-0.78	0.62
15-12-2015	105.98	0.08	-0.08	0.01
16-12-2015	106.47	0.46	0.31	0.09

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14-07-2015	81.66	0.00	-0.16	0.02
15-07-2015	83.06	1.71	1.56	2.43
16-07-2015	83.56	0.60	0.45	0.20
17-07-2015	84.56	1.20	1.04	1.08
20-07-2015	84.98	0.50	0.34	0.12
21-07-2015	83.88	-1.29	-1.45	2.10
22-07-2015	81.72	-2.58	-2.73	7.46
23-07-2015	83.5	2.18	2.02	4.09
24-07-2015	86.21	3.25	3.09	9.55
27-07-2015	85.6	-0.71	-0.86	0.75
28-07-2015	87.22	1.89	1.74	3.02
29-07-2015	95.18	9.13	8.97	80.47
30-07-2015	93.12	-2.16	-2.32	5.38
31-07-2015	94	0.95	0.79	0.62
03-08-2015	93.81	-0.20	-0.36	0.13
04-08-2015	92.79	-1.09	-1.24	1.55
05-08-2015	91.38	-1.52	-1.68	2.81
06-08-2015	92.84	1.60	1.44	2.08
07-08-2015	96.28	3.71	3.55	12.60
10-08-2015	93.89	-2.48	-2.64	6.96
11-08-2015	93.21	-0.72	-0.88	0.77
12-08-2015	89.3	-4.19	-4.35	18.93
13-08-2015	89.04	-0.29	-0.45	0.20
14-08-2015	95.38	7.12	6.96	48.51
17-08-2015	95.79	0.43	0.27	0.08
18-08-2015	105.11	9.73	9.57	91.66
19-08-2015	103.59	-1.45	-1.60	2.57
20-08-2015	101.86	-1.67	-1.83	3.33
21-08-2015	97.71	-4.07	-4.23	17.89
24-08-2015	86.68	-11.29	-11.44	130.97
25-08-2015	88.19	1.74	1.59	2.52
26-08-2015	91.05	3.24	3.09	9.53
27-08-2015	96.67	6.17	6.02	36.20
28-08-2015	98.06	1.44	1.28	1.64
31-08-2015	100.01	1.99	1.83	3.36
01-09-2015	96.03	-3.98	-4.14	17.10
02-09-2015	96.33	0.31	0.16	0.02
03-09-2015	94.78	-1.61	-1.76	3.11
04-09-2015	95.49	0.75	0.59	0.35
07-09-2015	93.74	-1.83	-1.99	3.95
08-09-2015	93.91	0.18	0.03	0.00
09-09-2015	96.22	2.46	2.30	5.31
10-09-2015	94.02	-2.29	-2.44	5.96
11-09-2015	94.45	0.46	0.30	0.09
14-09-2015	91.69	-2.92	-3.08	9.47
15-09-2015	91.32	-0.40	-0.56	0.31
16-09-2015	93.44	2.32	2.17	4.69
18-09-2015	96.02	2.76	2.61	6.79
21-09-2015	95.93	-0.09	-0.25	0.06
22-09-2015	94.81	-1.17	-1.32	1.75
23-09-2015	94.43	-0.40	-0.56	0.31
24-09-2015	97.29	3.03	2.87	8.25
28-09-2015	97.33	0.04	-0.11	0.01
29-09-2015	97.4	0.07	-0.08	0.01
30-09-2015	99.73	2.39	2.24	5.00
01-10-2015	100.16	0.43	0.28	0.08
05-10-2015	103.09	2.93	2.77	7.67
06-10-2015	103.07	-0.02	-0.18	0.03
07-10-2015	104.27	1.16	1.01	1.02
08-10-2015	103.81	-0.44	-0.60	0.36
09-10-2015	104.02	0.20	0.05	0.00
12-10-2015	104.21	0.18	0.03	0.00
17-12-2015	108.04	1.47	1.32	1.74
18-12-2015	108	-0.04	-0.19	0.04
21-12-2015	106.61	-1.29	-1.44	2.08
22-12-2015	107.38	0.72	0.57	0.32
23-12-2015	107.78	0.37	0.22	0.05
24-12-2015	106.9	-0.82	-0.97	0.95
28-12-2015	107.94	0.97	0.82	0.67
29-12-2015	106.78	-1.07	-1.23	1.51
30-12-2015	106.81	0.03	-0.13	0.02
31-12-2015	106.99	0.17	0.01	0.00
01-01-2016	107.66	0.63	0.47	0.22
04-01-2016	108.2	0.50	0.35	0.12
05-01-2016	107.01	-1.10	-1.26	1.58
06-01-2016	107.81	0.75	0.59	0.35
07-01-2016	104.68	-2.90	-3.06	9.36
08-01-2016	105.97	1.23	1.08	1.16
11-01-2016	106.99	0.96	0.81	0.65
12-01-2016	106.39	-0.56	-0.72	0.51
13-01-2016	105.16	-1.16	-1.31	1.72
14-01-2016	102.97	-2.08	-2.24	5.01
15-01-2016	101.65	-1.28	-1.44	2.07
18-01-2016	93.33	-8.18	-8.34	69.57
19-01-2016	97.35	4.31	4.15	17.24
20-01-2016	92.36	-5.13	-5.28	27.89
21-01-2016	94.89	2.74	2.58	6.67
22-01-2016	96.53	1.73	1.57	2.47
25-01-2016	97.07	0.56	0.40	0.16
27-01-2016	101.69	4.76	4.60	21.19
28-01-2016	101.17	-0.51	-0.67	0.44
29-01-2016	101.31	0.14	-0.02	0.00
01-02-2016	102.58	1.25	1.10	1.21
02-02-2016	101.07	-1.47	-1.63	2.65
03-02-2016	100.15	-0.91	-1.07	1.14
04-02-2016	99.16	-0.99	-1.14	1.31
05-02-2016	101.32	2.18	2.02	4.09
08-02-2016	102.79	1.45	1.30	1.68
09-02-2016	103.56	0.75	0.59	0.35
10-02-2016	104.06	0.48	0.33	0.11
11-02-2016	99.12	-4.75	-4.90	24.04
12-02-2016	99.64	0.52	0.37	0.14
15-02-2016	105.84	6.22	6.07	36.80
16-02-2016	103.55	-2.16	-2.32	5.38
17-02-2016	103.62	0.07	-0.09	0.01
18-02-2016	102.99	-0.61	-0.76	0.58
19-02-2016	100.51	-2.41	-2.56	6.57
22-02-2016	102.53	2.01	1.85	3.44
23-02-2016	99.01	-3.43	-3.59	12.88
24-02-2016	98.74	-0.27	-0.43	0.18
25-02-2016	98.01	-0.74	-0.90	0.80
26-02-2016	94.35	-3.73	-3.89	15.13
29-02-2016	95.38	1.09	0.94	0.88
01-03-2016	96.16	0.82	0.66	0.44
02-03-2016	96.8	0.67	0.51	0.26
03-03-2016	96.18	-0.64	-0.80	0.63
04-03-2016	100.74	4.74	4.59	21.03
08-03-2016	98.2	-2.52	-2.68	7.17
09-03-2016	97.9	-0.31	-0.46	0.21
10-03-2016	97.91	0.01	-0.15	0.02
11-03-2016	97.95	0.04	-0.11	0.01
14-03-2016	97.83	-0.12	-0.28	0.08
15-03-2016	97.62	-0.21	-0.37	0.14
16-03-2016	97.85	0.24	0.08	0.01

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13-10-2015	104.55	0.33	0.17	0.03
14-10-2015	103.9	-0.62	-0.78	0.60
15-10-2015	102.99	-0.88	-1.03	1.06
16-10-2015	103.53	0.52	0.37	0.14
19-10-2015	103.4	-0.13	-0.28	0.08
20-10-2015	102.53	-0.84	-1.00	0.99
21-10-2015	101.73	-0.78	-0.94	0.88
23-10-2015	103.46	1.70	1.54	2.39
26-10-2015	103.15	-0.30	-0.46	0.21
17-03-2016	97.92	0.07	-0.08	0.01
18-03-2016	97.84	-0.08	-0.24	0.06
21-03-2016	97.91	0.07	-0.08	0.01
22-03-2016	99.65	1.78	1.62	2.63
23-03-2016	101.52	1.88	1.72	2.96
28-03-2016	97.85	-3.62	-3.77	14.22
29-03-2016	99.21	1.39	1.23	1.52
30-03-2016	100.59	1.39	1.24	1.53
31-03-2016	105.72	5.10	4.94	24.45
	N=210	**31.23**	**∑(X-X̄) ² =1099.9**	

Source: www. investing.com and Computation

SD=√∑ (x-x̄)²/n

SD=√1099/210

SD=4.22

Risk=4.22

Return=31.23

PNC Infratech Company Ltd had generated a positive return of 31.23 percent during short-term period. The Standard Deviation of the stock is 4.22, which indicates that there was greater volatility/fluctuation in stock price movement compared to Issue Price (Both Upward and downward movement). Hence, PNC Infratech Company Ltd's stock is well performing stock as well as risk stock.

Table II: Short Term Performance of IPO of Inter Globe Aviation Ltd Company

Date	**Price**	**X**	**(X-X̄)**	**(X-X̄) ²**
11-11-2015	923.35			
13-11-2015	1,004.10	8.75	8.72	75.97
16-11-2015	988.95	-1.51	-1.54	2.36
17-11-2015	1,036.90	4.85	4.82	23.23
18-11-2015	1,045.65	0.84	0.81	0.66
19-11-2015	1,143.80	9.39	9.36	87.56
20-11-2015	1,105.40	-3.36	-3.39	11.47
23-11-2015	1,046.85	-5.30	-5.33	28.36
24-11-2015	1,089.80	4.10	4.07	16.60
26-11-2015	1,088.20	-0.15	-0.18	0.03
27-11-2015	1,090.50	0.21	0.18	0.03
30-11-2015	1,110.45	1.83	1.80	3.24
01-12-2015	1,093.25	-1.55	-1.58	2.49
02-12-2015	1,099.20	0.54	0.52	0.27
03-12-2015	1,113.70	1.32	1.29	1.66
04-12-2015	1,079.70	-3.05	-3.08	9.50
07-12-2015	1,044.55	-3.26	-3.28	10.79
08-12-2015	1,018.10	-2.53	-2.56	6.56
09-12-2015	1,012.75	-0.53	-0.55	0.31
10-12-2015	999.85	-1.27	-1.30	1.70
11-12-2015	1,035.00	3.52	3.49	12.16
14-12-2015	1,093.05	5.61	5.58	31.13
15-12-2015	1,185.45	8.45	8.42	70.97
16-12-2015	1,192.70	0.61	0.58	0.34
17-12-2015	1,190.85	-0.16	-0.18	0.03
18-12-2015	1,139.25	-4.33	-4.36	19.03
21-12-2015	1,082.00	-5.03	-5.05	25.55
22-12-2015	1,164.75	7.65	7.62	58.05
23-12-2015	1,183.05	1.57	1.54	2.38
24-12-2015	1,164.45	-1.57	-1.60	2.56
28-12-2015	1,194.15	2.55	2.52	6.36
29-12-2015	1,186.45	-0.64	-0.67	0.45
30-12-2015	1,193.25	0.57	0.54	0.30
31-12-2015	1,234.90	3.49	3.46	11.98
01-01-2016	1,343.45	8.79	8.76	76.76
22-01-2016	968.3	-19.16	-19.19	368.35
25-01-2016	902.7	-6.77	-6.80	46.29
27-01-2016	936.15	3.71	3.68	13.52
28-01-2016	903.35	-3.50	-3.53	12.48
29-01-2016	874.7	-3.17	-3.20	10.24
01-02-2016	882.05	0.84	0.81	0.66
02-02-2016	845	-4.20	-4.23	17.89
03-02-2016	837.95	-0.83	-0.86	0.75
04-02-2016	805.35	-3.89	-3.92	15.36
05-02-2016	836.95	3.92	3.89	15.17
08-02-2016	824.35	-1.51	-1.53	2.35
09-02-2016	788.15	-4.39	-4.42	19.54
10-02-2016	771.45	-2.12	-2.15	4.61
11-02-2016	719.7	-6.71	-6.74	45.39
12-02-2016	779.65	8.33	8.30	68.90
15-02-2016	839.05	7.62	7.59	57.60
16-02-2016	840.85	0.21	0.19	0.03
17-02-2016	839.8	-0.12	-0.15	0.02
18-02-2016	849.15	1.11	1.08	1.18
19-02-2016	841.25	-0.93	-0.96	0.92
22-02-2016	819.9	-2.54	-2.57	6.59
23-02-2016	810.05	-1.20	-1.23	1.51
24-02-2016	808.45	-0.20	-0.23	0.05
25-02-2016	791.1	-2.15	-2.18	4.73
26-02-2016	833.3	5.33	5.31	28.15
29-02-2016	812.25	-2.53	-2.56	6.53
01-03-2016	825.7	1.66	1.63	2.65
02-03-2016	869.75	5.33	5.31	28.15
03-03-2016	851.75	-2.07	-2.10	4.40
04-03-2016	872.85	2.48	2.45	5.99
08-03-2016	859.5	-1.53	-1.56	2.43
09-03-2016	812.8	-5.43	-5.46	29.84
10-03-2016	806.65	-0.76	-0.79	0.62
11-03-2016	820.55	1.72	1.69	2.87
14-03-2016	804.65	-1.94	-1.97	3.87
15-03-2016	800.1	-0.57	-0.59	0.35

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04-01-2016	1,262.10	-6.06	-6.08	37.02
05-01-2016	1,252.95	-0.72	-0.75	0.57
06-01-2016	1,235.40	-1.40	-1.43	2.04
07-01-2016	1,250.55	1.23	1.20	1.43
08-01-2016	1,272.20	1.73	1.70	2.90
11-01-2016	1,238.15	-2.68	-2.71	7.32
12-01-2016	1,250.65	1.01	0.98	0.96
13-01-2016	1,228.80	-1.75	-1.78	3.15
14-01-2016	1,200.00	-2.34	-2.37	5.63
15-01-2016	1,176.25	-1.98	-2.01	4.03
18-01-2016	1,131.80	-3.78	-3.81	14.50
19-01-2016	1,206.75	6.62	6.59	43.47
20-01-2016	1,202.10	-0.39	-0.41	0.17
21-01-2016	1,197.85	-0.35	-0.38	0.15
16-03-2016	801.85	0.22	0.19	0.04
17-03-2016	806.9	0.63	0.60	0.36
18-03-2016	808.8	0.24	0.21	0.04
21-03-2016	848.95	4.96	4.94	24.36
22-03-2016	843.65	-0.62	-0.65	0.43
23-03-2016	898.5	6.50	6.47	41.89
28-03-2016	880.6	-1.99	-2.02	4.09
29-03-2016	889.8	1.04	1.02	1.03
30-03-2016	891	0.13	0.11	0.01
31-03-2016	873.2	-2.00	-2.03	4.11
			17.35	
	N=94		$\sum(X-\bar{X})^2$ =1630.5	

Source: www. investing.com and Computation

SD=√1630/94

SD=4.16

Risk=4.16

Return= -5.43

Inter Globe Aviation Company Ltd had generated a negative return of 5.43 percent during short-term period. The Standard Deviation of the stock is 4.16, which indicates that there was greater fluctuation in stock price movement compared to Issue Price (Both Upward and downward movement) and hence this stock is under performing as well as risky stock.

Table III: Short Term Performance of IPO of Dr. PathLab Company Ltd

Date	Price	X	$(X-\bar{X})$	$(X-\bar{X})^2$
24-12-2015	896.05			
28-12-2015	835.35	-6.77	-6.84	46.84
29-12-2015	811	-2.91	-2.98	8.91
30-12-2015	806.6	-0.54	-0.61	0.37
31-12-2015	804.45	-0.27	-0.34	0.11
01-01-2016	803.6	-0.11	-0.18	0.03
04-01-2016	812.15	1.06	0.99	0.99
05-01-2016	817.05	0.60	0.53	0.28
06-01-2016	835.85	2.30	2.23	4.98
07-01-2016	803.8	-3.83	-3.90	15.24
08-01-2016	806.9	0.39	0.32	0.10
11-01-2016	797.05	-1.22	-1.29	1.66
12-01-2016	802.2	0.65	0.58	0.33
13-01-2016	799.65	-0.32	-0.39	0.15
14-01-2016	814.5	1.86	1.79	3.20
15-01-2016	789.1	-3.12	-3.19	10.16
18-01-2016	771.85	-2.19	-2.26	5.09
19-01-2016	722.2	-6.43	-6.50	42.28
20-01-2016	720.35	-0.26	-0.33	0.11
21-01-2016	728.95	1.19	1.12	1.26
22-01-2016	737.65	1.19	1.12	1.26
25-01-2016	748.65	1.49	1.42	2.02
27-01-2016	758.4	1.30	1.23	1.52
28-01-2016	757.85	-0.07	-0.14	0.02
29-01-2016	774.2	2.16	2.09	4.36
01-02-2016	799.15	3.22	3.15	9.94
02-02-2016	798	-0.14	-0.21	0.05
03-02-2016	786.65	-1.42	-1.49	2.23
04-02-2016	802.7	2.04	1.97	3.88
05-02-2016	800.25	-0.31	-0.37	0.14
08-02-2016	800.7	0.06	-0.01	0.00
09-02-2016	794.85	-0.73	-0.80	0.64
10-02-2016	802.9	1.01	0.94	0.89
11-02-2016	799.2	-0.46	-0.53	0.28
12-02-2016	802.65	0.43	0.36	0.13
15-02-2016	825.35	2.83	2.76	7.61
16-02-2016	840.55	1.84	1.77	3.14
17-02-2016	851.2	1.27	1.20	1.43
18-02-2016	857.6	0.75	0.68	0.47
19-02-2016	866.3	1.01	0.94	0.89
22-02-2016	847.1	-2.22	-2.29	5.23
23-02-2016	851.9	0.57	0.50	0.25
24-02-2016	830.3	-2.54	-2.61	6.79
25-02-2016	836.35	0.73	0.66	0.43
26-02-2016	828.5	-0.94	-1.01	1.02
29-02-2016	826.7	-0.22	-0.29	0.08
01-03-2016	828.75	0.25	0.18	0.03
02-03-2016	853	2.93	2.86	8.16
03-03-2016	893.9	4.79	4.73	22.33
04-03-2016	859	-3.90	-3.97	15.79
08-03-2016	844.65	-1.67	-1.74	3.03
09-03-2016	873.85	3.46	3.39	11.47
10-03-2016	864.45	-1.08	-1.15	1.31
11-03-2016	862.7	-0.20	-0.27	0.07
14-03-2016	890.6	3.23	3.16	10.01
15-03-2016	906.65	1.80	1.73	3.00
16-03-2016	882.05	-2.71	-2.78	7.74
17-03-2016	906.15	2.73	2.66	7.09
18-03-2016	922.7	1.83	1.76	3.09
21-03-2016	918.25	-0.48	-0.55	0.30
22-03-2016	940	2.37	2.30	5.29
23-03-2016	921.45	-1.97	-2.04	4.17
28-03-2016	931.6	1.10	1.03	1.06
29-03-2016	926.95	-0.50	-0.57	0.32
30-03-2016	930.6	0.39	0.32	0.11
31-03-2016	923.3	-0.78	-0.85	0.73
	N=65		$\sum(X-\bar{X}$ = 301.919	

Source: www. investing.com and Computation.

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SD= √8209/1447

SD= 2.15

Risk= 2.15

Return= 3.04

Dr Lalpath Lab Company Ltd had generated a positive return of 3.04 percent during short-term period. The Standard Deviation of the stock is 3.04, which indicates that there was greater fluctuation in stock price movement compared to Issue Price (Both Upward and downward movement). Hence the short-run return of the stock is not impressive and the stock is also considered as risky stock.

Table IV: Short Term Performance of IPO of Alkem Laboratories Company

Date	Price	X	(X-X̄)	(X-X̄) ²
24-12-2015	1,523.75			
28-12-2015	1,468.40	-3.63	-3.79	14.39
29-12-2015	1,465.55	-0.19	-0.36	0.13
30-12-2015	1,458.25	-0.50	-0.66	0.44
31-12-2015	1,485.25	1.85	1.69	2.86
01-01-2016	1,503.10	1.20	1.04	1.08
04-01-2016	1,530.15	1.80	1.64	2.68
05-01-2016	1,567.70	2.45	2.29	5.26
06-01-2016	1,527.00	-2.60	-2.76	7.60
07-01-2016	1,467.35	-3.91	-4.07	16.55
08-01-2016	1,477.20	0.67	0.51	0.26
11-01-2016	1,475.70	-0.10	-0.26	0.07
12-01-2016	1,474.30	-0.09	-0.26	0.07
13-01-2016	1,415.75	-3.97	-4.13	17.08
14-01-2016	1,435.80	1.42	1.25	1.57
15-01-2016	1,431.65	-0.29	-0.45	0.20
18-01-2016	1,344.60	-6.08	-6.24	38.96
19-01-2016	1,330.40	-1.06	-1.22	1.48
20-01-2016	1,322.80	-0.57	-0.73	0.54
21-01-2016	1,368.60	3.46	3.30	10.90
22-01-2016	1,366.80	-0.13	-0.29	0.09
25-01-2016	1,356.85	-0.73	-0.89	0.79
27-01-2016	1,339.50	-1.28	-1.44	2.07
28-01-2016	1,350.10	0.79	0.63	0.40
29-01-2016	1,358.80	0.64	0.48	0.23
01-02-2016	1,373.45	1.08	0.92	0.84
02-02-2016	1,372.70	-0.05	-0.22	0.05
03-02-2016	1,373.30	0.04	-0.12	0.01
04-02-2016	1,347.50	-1.88	-2.04	4.16
05-02-2016	1,338.05	-0.70	-0.86	0.74
08-02-2016	1,323.35	-1.10	-1.26	1.59
09-02-2016	1,338.40	1.14	0.98	0.95
10-02-2016	1,320.90	-1.31	-1.47	2.16
11-02-2016	1,275.80	-3.41	-3.58	12.79
12-02-2016	1,319.75	3.44	3.28	10.78
15-02-2016	1,314.95	-0.36	-0.53	0.28
16-02-2016	1,309.60	-0.41	-0.57	0.32
17-02-2016	1,317.90	0.63	0.47	0.22
18-02-2016	1,308.60	-0.71	-0.87	0.75
19-02-2016	1,310.35	0.13	-0.03	0.00
22-02-2016	1,281.60	-2.19	-2.36	5.55
23-02-2016	1,310.00	2.22	2.05	4.22
24-02-2016	1,279.10	-2.36	-2.52	6.35
25-02-2016	1,272.15	-0.54	-0.70	0.50
26-02-2016	1,279.55	0.58	0.42	0.18
29-02-2016	1,264.65	-1.16	-1.33	1.76
01-03-2016	1,315.20	4.00	3.84	14.71
02-03-2016	1,301.10	-1.07	-1.23	1.52
03-03-2016	1,307.15	0.46	0.30	0.09
04-03-2016	1,311.30	0.32	0.16	0.02
08-03-2016	1,342.60	2.39	2.23	4.95
09-03-2016	1,345.75	0.23	0.07	0.01
10-03-2016	1,348.20	0.18	0.02	0.00
11-03-2016	1,367.20	1.41	1.25	1.56
14-03-2016	1,354.00	-0.97	-1.13	1.27
15-03-2016	1,356.20	0.16	0.00	0.00
16-03-2016	1,356.25	0.00	-0.16	0.02
17-03-2016	1,350.85	-0.40	-0.56	0.31
18-03-2016	1,374.95	1.78	1.62	2.63
21-03-2016	1,350.30	-1.79	-1.95	3.82
22-03-2016	1,362.50	0.90	0.74	0.55
23-03-2016	1,355.80	-0.49	-0.65	0.43
28-03-2016	1,387.30	2.32	2.16	4.67
29-03-2016	1,410.35	1.66	1.50	2.25
30-03-2016	1,371.10	-2.78	-2.94	8.67
31-03-2016	1,356.45	-1.07	-1.23	1.51
	N=65		∑x-x	228.91

Source: www. investing.com and Computation.

SD=√228/65

SD=1.88

Risk=1.88

Return=-10.97

Alkem Laboratories Company Ltd had generated a negative return of 10.97 percent during short-term period (Table-5.4). The Standard Deviation of the stock is 1.88, which indicates that the stock is more volatile stock but its short-term performance was remarkable.

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Table V: Short Term Performance of IPO of Indian Railway Catering Company

Date	Price	X	$(X-\bar{X})$	$(X-\bar{X})^2$
15-10-2019	142.63			
16-10-2019	140.13	-1.75	-2.10	4.42
17-10-2019	144.86	3.38	3.02	9.15
18-10-2019	155.83	7.57	7.22	52.16
22-10-2019	168.94	8.41	8.06	65.00
23-10-2019	180.06	6.58	6.23	38.83
24-10-2019	180.41	0.19	-0.16	0.02
25-10-2019	179.81	-0.33	-0.68	0.47
27-10-2019	181.54	0.96	0.61	0.37
29-10-2019	176.62	-2.71	-3.06	9.37
30-10-2019	178.09	0.83	0.48	0.23
31-10-2019	176.34	-0.98	-1.33	1.78
01-11-2019	178.1	1.00	0.65	0.42
04-11-2019	176.69	-0.79	-1.14	1.30
05-11-2019	176.3	-0.22	-0.57	0.33
06-11-2019	176.86	0.32	-0.03	0.00
07-11-2019	176.3	-0.32	-0.67	0.45
08-11-2019	175.38	-0.52	-0.87	0.76
11-11-2019	186.58	6.39	6.04	36.43
13-11-2019	186.41	-0.09	-0.44	0.19
14-11-2019	181.46	-2.66	-3.01	9.04
15-11-2019	185.64	2.30	1.95	3.81
18-11-2019	184.43	-0.65	-1.00	1.00
19-11-2019	180.51	-2.13	-2.48	6.13
20-11-2019	179.14	-0.76	-1.11	1.23
21-11-2019	176.96	-1.22	-1.57	2.46
22-11-2019	175.18	-1.01	-1.36	1.84
25-11-2019	176.43	0.71	0.36	0.13
26-11-2019	175.74	-0.39	-0.74	0.55
27-11-2019	176.65	0.52	0.17	0.03
28-11-2019	176.49	-0.09	-0.44	0.19
29-11-2019	179.45	1.68	1.33	1.76
02-12-2019	176.21	-1.81	-2.16	4.65
03-12-2019	175	-0.69	-1.04	1.08
04-12-2019	174.82	-0.10	-0.45	0.21
05-12-2019	175.19	0.21	-0.14	0.02
06-12-2019	174.47	-0.41	-0.76	0.58
09-12-2019	173.48	-0.57	-0.92	0.84
10-12-2019	172.18	-0.75	-1.10	1.21
11-12-2019	172.93	0.44	0.09	0.01
12-12-2019	173.98	0.61	0.26	0.07
13-12-2019	178.1	2.37	2.02	4.07
16-12-2019	177.34	-0.43	-0.78	0.60
17-12-2019	177.35	0.01	-0.34	0.12
18-12-2019	175.07	-1.29	-1.64	2.68
19-12-2019	173.94	-0.65	-1.00	0.99
20-12-2019	173.37	-0.33	-0.68	0.46
23-12-2019	172.95	-0.24	-0.59	0.35
24-12-2019	177.51	2.64	2.29	5.23
26-12-2019	175.38	-1.20	-1.55	2.40
27-12-2019	176.12	0.42	0.07	0.01
30-12-2019	185.23	5.17	4.82	23.25
31-12-2019	186.69	0.79	0.44	0.19
01-01-2020	188.87	1.17	0.82	0.67
02-01-2020	186.08	-1.48	-1.83	3.34
03-01-2020	186.28	0.11	-0.24	0.06
06-01-2020	178.89	-3.97	-4.32	18.64
07-01-2020	181.48	1.45	1.10	1.20
08-01-2020	179.23	-1.24	-1.59	2.53
09-01-2020	182.73	1.95	1.60	2.57
10-01-2020	183.45	0.39	0.04	0.00
13-01-2020	187.83	2.39	2.04	4.15
14-01-2020	194.83	3.73	3.38	11.40
15-01-2020	197.08	1.15	0.80	0.65
16-01-2020	200.73	1.85	1.50	2.25
17-01-2020	204.37	1.81	1.46	2.14
20-01-2020	198.67	-2.79	-3.14	9.86
21-01-2020	196.55	-1.07	-1.42	2.01
22-01-2020	199.37	1.43	1.08	1.18
23-01-2020	199.1	-0.14	-0.49	0.24
24-01-2020	200.54	0.72	0.37	0.14
27-01-2020	201.52	0.49	0.14	0.02
28-01-2020	209.74	4.08	3.73	13.90
29-01-2020	223.28	6.46	6.11	37.27
30-01-2020	227.43	1.86	1.51	2.27
31-01-2020	242.06	6.43	6.08	36.99
01-02-2020	238.07	-1.65	-2.00	4.00
03-02-2020	250.17	5.08	4.73	22.39
04-02-2020	282.53	12.94	12.58	158.38
05-02-2020	301.71	6.79	6.44	41.45
06-02-2020	300.86	-0.28	-0.63	0.40
07-02-2020	302.7	0.61	0.26	0.07
10-02-2020	296.04	-2.20	-2.55	6.51
11-02-2020	281.6	-4.88	-5.23	27.33
12-02-2020	283.05	0.51	0.16	0.03
13-02-2020	316.07	11.67	11.32	128.04
14-02-2020	311.48	-1.45	-1.80	3.25
17-02-2020	303.73	-2.49	-2.84	8.06
18-02-2020	327.72	7.90	7.55	56.97
19-02-2020	366.38	11.80	11.45	131.02
20-02-2020	386.01	5.36	5.01	25.07
24-02-2020	384.7	-0.34	-0.69	0.48
25-02-2020	390.39	1.48	1.13	1.27
26-02-2020	390.33	-0.02	-0.37	0.13
27-02-2020	381.88	-2.16	-2.52	6.33
28-02-2020	348.76	-8.67	-9.02	81.42
02-03-2020	344.65	-1.18	-1.53	2.34
03-03-2020	347.86	0.93	0.58	0.34
04-03-2020	313.08	-10.00	-10.35	107.10
05-03-2020	286.17	-8.60	-8.95	80.03
06-03-2020	271.87	-5.00	-5.35	28.60
09-03-2020	258.28	-5.00	-5.35	28.61
11-03-2020	257.07	-0.47	-0.82	0.67
12-03-2020	244.22	-5.00	-5.35	28.61
13-03-2020	245.55	0.54	0.19	0.04
16-03-2020	233.28	-5.00	-5.35	28.59
17-03-2020	221.62	-5.00	-5.35	28.61
18-03-2020	210.54	-5.00	-5.35	28.62
19-03-2020	200.02	-5.00	-5.35	28.59
20-03-2020	190.2	-4.91	-5.26	27.67
23-03-2020	180.69	-5.00	-5.35	28.63
24-03-2020	171.66	-5.00	-5.35	28.60
25-03-2020	163.08	-5.00	-5.35	28.61
26-03-2020	171.23	5.00	4.65	21.60
27-03-2020	179.79	5.00	4.65	21.61
30-03-2020	187.16	4.10	3.75	14.05
31-03-2020	196.51	5.00	4.65	21.58
	N=116		$\sum(X-\bar{X}$	1738.03

Source: www. investing.com and Computation.

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$SD=\sqrt{\sum (x-\bar{x})^2/n}$

$SD=\sqrt{1738/116}$

SD=3.87

Risk=3.87

Return=37.77

Indian Railway Catering Company had generated a return of 37.77 percent during short-term period (Table-5.5). The Standard Deviation of the stock is 3.87, which indicates that there was greater fluctuation in stock price movement compared to Issue Price (Both Upward and downward movement). So, stock was considered to be risky stock during short-term period and its short-term performance was outstanding.

VI. FINDINGS

1. The short term performance of PNC Infratech Company Ltd and Indian Railway Catering Company is remarkable and they are also high volatile stocks, reinforcing the high-risk and high-reward nature of these IPOs.

2. The short term performance of Inter Globe Aviation Company Ltd and Dr Lalpath Lab Company Ltd is not impressive even though their volatility is high, reinforcing the high-risk and low-reward nature of these IPOs.

3. The short term performance of Alkem Laboratories Company Ltd is moderate even though its volatility is high, reinforcing the high-risk and moderate-reward nature of IPO.

VII. CONCLUSION AND SUGGESTIONS

The study reveals that different companies have generated different level of return during their post-listing period even though they are considered to be volatile stocks. This signifies that the investor shall select IPOs based on their fundamentals and not merely based on their sector, advice from the brokers, etc. The result also moderately supports the under pricing theory of IPOs in Indian Primary Market. It is suggested that Book-Running Lead Manager shall make a proper assessment of intrinsic value of IPOs. The investors are suggested to focus on intrinsic value of IPOs before investing. Investors also suggested evaluating the current market conditions, economic indicators, and the company's fundamentals which shall be aligned with their risk tolerance and investment objectives for taking informed decisions. Market timing and broader economic conditions significantly impact IPO performance. IPOs launched during favourable market conditions typically outperform those introduced during downturns. It is suggested that Financial Literacy programs as well as IPO awareness Programs shall be organized in associate with the Investors Association and B-Schools to educate investors.

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