

# Factors Influencing the IPOs' Pricing in India

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### 3.

#### Abstract

Pricing of the IPOs is a tedious process a company comes across in the issue process. Investors also are not aware of the mechanism and basis of pricing. There were some mechanisms where the investment bankers and the lead managers adopt for the pricing of IPOs. Despite this, SEBI has prescribed some guidelines where companies have to disclose in the prospectus for the red herring about the basis of issue. Even the investors can have access to this, to understand about the pricing and performance of companies. In this regard, 148 IPOs over a period 12 years, from 2008 to 2019 has been studied by considering the factors as per SEBI guidelines that are impacting the IPOs issue price. Multiple regression models has been used for the study of factors and through the study the most impacting factors of issue price across the industries-based on the National Industrial classification over the period of study is also identified. On the whole the factors impacting IPOs price was P/E ratio, IPE, RONW, NAV post issue, stock dilution, issue amount and issue size across the industries during the period 2008 to 2019.

**Keywords:** Factors, Issue Price, Red Herring prospectus, SEBI, Multiple regression, year-wise analysis, Industry- wise analysis.

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## 1. Introduction

An initial public offering (IPO) is an activity where a private owned company becomes a public corporation with its shares traded on a stock exchange. "Going public" is a term used to describe this procedure. A public company is owned by the shareholders who purchase its stock after it becomes a private firm. Many investors are unaware of how a company's value is decided when they engage in the IPO process. A corporation hires an investment banker to determine the value of the shares before they are listed on the stock exchange. For investors, determining the worth of a firm that is newly issuing stock that has not been traded before can be a difficult undertaking.

The price of the stock that issued for the first time is set by the company going public. It's called as the "offering price." This price is determined by the merchant bank syndicate operating as the underwriters or lead managers of the company. And the primary goal of the underwriter is to set the offer price at a range and is both high enough to raise a substantial amount of money and low enough to attract potential investors' interest. An underwriter considers a number of attributes that can influence the IPO price. They assess a company's business value as well as its future outlook. The IPO price also embraces the investment's risk level and compensates for it. Finally, the IPO valuation considers the prevailing supply and demand forces.

## 2. SEBI Guidelines for Issue Price of IPOs

The issuer, in consultation with the lead merchant banker, will disclose the issue price on the basis of EPS and diluted EPS for the previous 3 years, Pre-issue PE Ratio, the average RONW of past 3 years, maintaining pre-issue EPS is required for Minimum RONW. NAV based on the recent Balance sheet. The difference between issue price and NAV per share after the issue. All accounting ratios of issue will be compared with industry average and peer group accounting ratios. The fact of financial ratio dilution as a result of issuing bonus shares, if any, and the justification of the issue price after taking into account the diluted ratios with reference to expanded capital.

The issue price is determined by the issuer in consultation with the book runner(s), on the basis of an estimated market demand for the securities by way of book-building," the red herring prospectus shall specify in the case of a book built issue.

### 3. Factors Considered for the Study

The SEBI does not play any role in price fixing. The price is fixed by issuer on consulting the merchant banker and depending on market demand. The offer document contains full disclosures of the parameters which the Merchant Banker and the issuer take into account when deciding the price. EPS, PE multiple, RONW, and comparison of these parameters with peer group companies are one of the parameters.

In this Study in addition to above factors other factors such as total assets, issue size and issue amount and stock dilution has also been considered. There is much literature on the factors influencing the price performance of IPOs, but a little literature on study of the factors that are influencing the IPO's offering price. Let us study those factors.

### 4. Review of Literature

The important studies reviewed on the present topic are presented as follows:

**Harsimran Sandhu and Kousik Guhathakurta(2020)<sup>1</sup>:** This study develops a link between IPO offer price ranges and pre-listing demand across diverse companies. During the whole pre-listing stage of an IPO, RII and NII investors will follow QIB investors in avoiding the lowest-priced IPOs. At the post-listing stage, a correlation is used between the lowest IPO offer price ranges and initial turnover. As evidenced by the early turnover, investors trade less at the lowest range of the IPO offer price (IPO listing day trades). At varied IPO offer prices, individual (lowest range) and institutional (highest range) investors increase their post-listing holdings. Lower promoter holdings are also expected to spread greater ownership among individual shareholders by aiming for lower initial public offering (IPO) offer prices, hence strengthening control.

**R.Selvamathi and Dr. A.A.Ananth(2019)<sup>2</sup>:** This study collects and analyses data to empirically evaluate the IPO factors that determine the under-pricing of IPO factors performance in the long run, observed the effects of factor impact on IPO performance using secondary data from the NSE. Factors that determine the under-pricing of IPO factors performance in the long run are determined. In all three long-run periods, the data show a substantial positive association between BHRR and IPO characteristics such as IPO grade and lead time. The one-year BHRR is highly related to issue size in the long run. In the long term, BHRR is found to increase with overall lead time and IPO grade, and the extent of BHRR increase against higher IPO grade is greater than that.

**Mubarak Rahman P(2017)<sup>3</sup>:** The study goal is to see how certain macroeconomic variables influence the S&P BSE SME IPO index. Correlation, multiple regression, and Granger casualty tests are used to suggest the link and impact. Other macroeconomic indicators such as the Index of Industrial Production (IIP), Gross Domestic Product (GDP), Interest Rate (IR), Foreign Direct Investment (FDI), Inflation Rate (IF), Exchange Rate (ER), and Crude Oil Price are used as variables for this study (CP). It is observed from the study that over a 3 year period, average monthly research was undertaken from January 2013 to December 2015. Interest rates and inflation are found to have a favorable impact on the stock market index.

**Rajesh C. Jampala(2016)<sup>4</sup>:** This study provides an insight on long-term performance of French initial public offerings (IPOs) between 1991 and 2005. The research implies that analyst coverage is important to the issuing

<sup>1</sup>Harsimran Sandhu and Kousik Guhathakurta, Department of Finance & Accounting, Indian Institute of Management- Madhya Pradesh, "Effects of IPO Offer Price Ranges on Initial Subscription, Initial Turnover, and Ownership Structure—Evidence from the Indian IPO Market," Journal of Risk Financial Manag. 2020, 13, 279.

<sup>2</sup>R.Selvamathi and Dr. A.A.Ananth, "IPOS Factors Determining the Underpricing of IPOS by buy and hold Raw Return in Long run", Journal of Development Economics and Management Research Studies (JDMS) 01(01), 1-12, July-September 2019.

<sup>3</sup>Mubarak Rahman P Research Scholar, Department of Commerce, Pondicherry University, India" Impact Of Selected Macroeconomic Indicators On S&P BSE SME IPO Index" Indian Journal of Commerce & Management Studies ISSN: 2249-0310 EISSN: 2229-5674.

<sup>4</sup>Rajesh C. Jampala, Parvathaneni Brahmayya Siddhartha College of Arts and Science, Vijayawada • Department of Business Administration, "A Study on Factors Influencing the Initial Public Offerings (IPO) ) in

firm, but that the market does not serve as the basis for its perceived worth. On further analysis it is observed that non-outperform orphans due to greater coverage. When IPOs are venture capital backed, they have a big underwriting syndicate, and are underpriced. It is observed from the study that investors pay more attention to non-orphans firms.

**Chen Litong(2015)<sup>5</sup>:** This study is on Influencing Factors of IPO Pricing in the Chinese Stock Market. Researchers apply multiple linear regression analysis in this paper to make a correlation regression model that uses five factors: IPO pricing, early warning index (YJ), CSI 300 Index (SS), Issuing scale (IS), earnings per share (EPS), and net assets per share (NAS) (BPS), using a sample of 223 public listed companies in the Chinese stock exchange, during the year 2011 to 2014. The test results show that the model is statistically significant. The average starting price is 13.61 Yuan, but the average starting price defined by the model is 9.46 Yuan.

**Leila Bateni1 & Farshid Asghari(2014)<sup>6</sup>:** The purpose of the study is about, that even the initial offering price on the Tehran stock exchange is lower than the actual price, and the factors that influence price of initial shares on the stock exchange. From 2006 to 2012, 115 stock exchange companies were studied for this purpose and for the data analysis, a multiple regression model was used. The results show that the average days for relative prices on the Iranian stock exchange are 287 days, with a price deviation of 14.3% noting that the adjusted price in the secondary market is 14.3% higher than the offering price of the initially offered shares' first transaction.

**Yuan Tian(2012)<sup>7</sup>:** This study is about the under pricing of IPOs on the London Stock Exchange influenced by issue size, firm age, systematic risk, underwriter reputation, P/E ratio, debt ratio, and ROA, for a research article entitled An Examination of Factors Influencing Under-pricing of IPOs on the London Stock Exchange. For the purpose of study, 117 companies are taken, and the degree of under pricing is examined. The results indicate that the London stock exchange has a degree of under pricing of 6.89744%.

**Manpreet Kaur(2007)<sup>8</sup>:** This study is on Factors Affecting Pre - IPO Offerings (IPOs) and initial public offering Offers (FPOs)- A short-term and long-term analysis in the Indian Context and on the NSE Platform. A sample of 284 IPOs and 9 FPOs is taken for the analysis of short-term performance as well as the long-term performance, based on data availability. It is observed from the study that determinants, like the firm's age, ex-ante, time subscribed, issue size, and etc, each add more to the performance of public offers.

## 5. Objectives of the Study

The following objectives are framed based on the above review of literature to discuss in this study:

- 1) To study the select factors influencing the IPOs pricing across industries.
- 2) To study the select factors influencing IPO pricing across study period.
- 3) To study the overall impact of factors on the IPOs pricing.

## 6. Hypotheses of the Study

The following hypotheses are used to test the above objectives.

**H<sub>01</sub>:** There is no significant impact of select factors on the IPOs pricing across industries in India.

**H<sub>02</sub>:** There is no significant impact of select factors on the IPOs pricing across years in India.

**H<sub>03</sub>:** There is no significant impact of select factors on the IPOs Issue price.

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the Bombay Stock Exchange (BSE), India: During 2007-2013," International Journal of Corporate Finance and Accounting Volume 3, Issue 1, January-June 2016.

<sup>6</sup>Leila Bateni1 & Farshid Asghari, Economics & Management Department, School of Economics, Payame-Noor University, "Study of Factors Affecting the Initial Public Offering (IPO) Price of the Shares on the Tehran Stock Exchange", n Research in World Economy · July 2014, Vol. 5, No. 2; 2014.

<sup>7</sup> Yuan Tian, " An Examination Factors Influencing Under-Pricing Of IPOs On The London Stock Exchange", Mfin 6692, September 2012.

<sup>8</sup>Factors Affecting Ip'o's&Fp'o's- An Analysis For Short Run & Long Run," Manpreet Kaur-Doctor of Philosophy, Lovely Professional University, Lpu Mittal School Of Business, Research Gate.

## 7. Research Methodology

In this study the following research methodology is used:

**Sources of Data:** The data is collected from the PRIME data base and individual company's red-hearing prospectus filed with the SEBI at the time of IPO issue, and NSE India site.

**Period of Study:** For the purpose of study 148 IPOs from the year 2008 to 2019 is considered.

**Factors of the Study:** The factors that are considered for the study are EPS, PE Ratio, Industry P/E Ratio, RONW, NAV Post-issue, NAV Pre-issue, Percentage of Shareholding diluted, Total Assets, Issue Size and Issue Amount.

**Analytical Tools:** For the analysis of data SPSS software has been used.

**Statistical Tools:** For analysis of data multiple regression method is used to compare the factors with that of an offering price and to identify the most influencing factors.

## 8. Impact of Select Factors on the IPOs Pricing across Industries in India

According to National Industrial classification, there were 21 broadly categorized industries. Among them IPOs issued during the year 2008 to 2019 were falling under 14 industries. Out of the 14 industries only 9 industries are considered to study the impact of select factors on the issue price of IPOs. They are manufacturing industry, power generation and supply industry, construction industry, information and communication industry, financial and insurance activities industry, real estate activities industry, professional, scientific and technical activities industry, education industry, human health and social work activities industry, remaining five industries cannot be studied as they consist of only 2 companies which is too small sample to study through the multiple regression analysis. Due to the existence of the multicollinearity among the select factors for the study, certain factors have been eliminated for each industry and regression analysis has been made which is presented table-1.

Industries	R	RS	ARS	Std. Error of the Estimate	Durbin-Watson
Manufacturing Industry	0.977	0.955	0.947	37.0035	1.883
Power Generation and Supply	0.831	0.69	0.612	97.895	1.787
Construction Industry	0.874	0.764	0.73	61.5718	2.386
Information and Communication Industry	0.949	0.9	0.878	35.7349	1.452
Financial and Insurance activities Industry	0.994	0.987	0.974	37.4044	2.517
Real Estate activities Industry	0.984	0.968	0.926	42.1775	2.207
Professional, scientific and technical activities Industry	0.81	0.656	0.541	30.088	2.32
Education Industry	1	0.998	0.995	7.83512	2.695
Human health and social work activities Industry	0.98	0.961	0.942	21.9434	2.608

Source: Values computed from SPSS using data from PRIME database and SEBI.

Table-1 represents the model summary of the factors influencing the IPOs pricing across industries. 'R' value for the select industries is observed to be greater than 80 percent indicating that there exists higher degree of correlation between the select factors for the study and the IPOs issue price. Durbin Watson value for all the factors is less than 4. This indicates that the error term or the residuals is independent or there in the sample data, no auto-correlation is found.

Model	SS	df	MS	F	Sig.	
Manufacturing Industry	Regression	1305152.966	8	163144.1	119.148	0
	Residual	61616.682	45	1369.26		
	Total	1366769.648	53			
Power Generation and Supply	Regression	85279.628	1	85279.63	8.899	0.041
	Residual	38333.705	4	9583.426		

	Total	123613.333	5			
Construction Industry	Regression	85871.989	1	85871.99	22.651	0.002
	Residual	26537.567	7	3791.081		
	Total	112409.556	8			
Information and communication Industry.	Regression	103660.073	2	51830.04	40.588	0
	Residual	11492.843	9	1276.983		
	Total	115152.917	11			
Financial and Insurance activities Industry	Regression	429386.537	4	107346.6	76.726	0
	Residual	5596.351	4	1399.088		
	Total	434982.889	8			
Real Estate activities industry	Regression	162552.67	4	40638.17	22.844	0.014
	Residual	5336.83	3	1778.943		
	Total	167889.5	7			
Professional, Scientific and technical activities industry.	Regression	10350.49	2	5175.245	5.717	0.041
	Residual	5431.732	6	905.289		
	Total	15782.222	8			
Education Industry	Regression	38063.611	2	19031.81	310.02	0.04
	Residual	61.389	1	61.389		
	Total	38125	3			
Human health and social work activities industry	Regression	23815.972	1	23815.97	49.461	0.02
	Residual	963.028	2	481.514		
	Total	24779	3			

Source: Values computed from SPSS using data from PRIME database and SEBI

Table-2 indicates the ANOVA results of the factors that are influencing the issue price of IPOs across the industries. Table 2 shows that the 'p' value for all industries is less than 0.05 at the 5% level of significance, indicating that some factors have significant effect on the issue price.

Industries / Factors		Un Std Co eff		Std Co eff	t	Sig	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
Manufacturing Industry	(Constant)	18.083	24.014		0.753	0.455		
	EPS	3.116	0.979	0.263	3.184	0.003	0.147	6.820
	PE Ratio	0.624	0.161	0.141	3.886	0.000	0.763	1.310
	IPE	1.278	0.594	0.073	2.150	0.037	0.869	1.151
	RONW	2.052	0.273	0.331	7.520	0.000	0.517	1.934
	Stock dilution	-0.642	0.414	-0.058	-1.553	0.127	0.729	1.372
	Issue size	-2.519	0.000	-0.104	-2.280	0.027	0.478	2.093
	Total Assets	0.001	0.001	0.045	0.983	0.331	0.484	2.065
power generation and supply industry	(Constant)	43.408	56.766		0.765	0.487		
	Issue Amount	0.000	0.000	0.831	2.983	0.041	1.000	1.000
Construction Industry	(Constant)	66.707	38.330		1.740	0.125		
	NAV Post issue	1.775	0.373	0.874	4.759	0.002	1.000	1.000
Information and Communication industry	(Constant)	-2.026	20.005		-0.101	0.922		
	NAV pre issue	0.677	0.401	0.226	1.691	0.125	0.619	1.615
	NAV post issue	1.603	0.271	0.792	5.919	0.000	0.619	1.615
Financial and	(Constant)	50.853	38.496		1.321	0.257		
	PE Ratio	0.024	0.002	0.878	12.582	0.000	0.660	1.516

Insurance activities Industry	NAV post issue	0.378	0.548	0.075	0.690	0.528	0.271	3.690
	NAV pre issue	0.686	0.636	0.114	1.077	0.342	0.288	3.469
	Issue Amount	0.000	0.000	-0.066	-0.951	0.395	0.663	1.507
Real Estate activities	(Constant)	-271.637	65.889		-4.123	0.026		
	RONW	-3.933	2.469	-0.293	-1.593	0.209	0.312	3.201
	NAV post issue	7.591	1.287	1.424	5.897	0.010	0.182	5.507
	NAV pre issue	-0.286	0.095	-0.691	-3.009	0.057	0.201	4.975
	Issue Amount	0.001	0.000	0.393	2.654	0.077	0.484	2.068
Professional, Scientific and technical activities industry.	(Constant)	37.670	21.092		1.786	0.124		
	Issue Amount	0.003	0.001	0.638	2.505	0.046	0.884	1.131
	NAV post issue	0.500	0.390	0.327	1.284	0.247	0.884	1.131
Education industry	(Constant)	-11.657	7.655		-1.523	0.370		
	Issue Amount	-0.004	0.002	-0.175	-2.199	0.272	0.253	3.951
	NAV post issue	2.648	0.184	1.147	14.379	0.044	0.253	3.951
Human health and social work activities	(Constant)	-7.341	18.395		-0.399	0.728		
	NAV post issue	2.256	0.321	0.98	7.033	0.02	1	1

Source: Values computed from SPSS using data from PRIME database and SEBI.

Table-3 indicates the Coefficients of the factors influencing the IPOs issue price across the industries. It is observed that 't' value is of 0.003 for EPS, zero for PE Ratio, 0.037 for IPE, 0.027 for issue size, and zero for issue amount indicates that among the select factors for the study EPS, PE ratio, IPE Ratio, Issue size and issue amount are observed most influencing the IPOs issue price in the manufacturing industry.

In case of power generation and supply industry it is observed that the most influencing factor of IPOs issue price is the issue amount with 't' value of 0.041. In case of the construction industry, the most influencing factor of IPOs issue price is observed to be NAV post issue with 't' value of 0.02. In case of information and communication industry, among the select factors NAV post issue is considered to be the most influencing with 't' value of 0. For the financial and insurance activities industry, PE ratio is observed to be the most impacting factor among the select factors, with t value of zero.

In case of the real estate activities industry, among the four select factors, NAV post issue is observed to be the most impacting factor with t value of 0.010. For the professional scientific and technical activities industry, among the select factors, two factors, NAV post issue and the issue amount is observed to be the most impacting factors of the IPOs issue price with t value of 0.046.

In case of education industry, it is observed that NAV post issue is impacting the IPOs issue price with t value of 0.044.

In case of human health and social work activities industry also NAV post issue is observed to be the most impacting factor with t value of 0.020 that is influencing the IPOs issue price. The VIF value for the select factors across the industries is observed to be between 3 and 10 and the tolerance value less than and equal to 1 indicates that there is no multicollinearity of the factors that are influencing the IPOs issue price.

### 9. Impact of Select Factors on the IPO Offering Price across Years

Study on the impact of select factors across the years is being studied from the year 2008 to 2019. Factors influencing the issue price of IPOs are studied for the year 2008, 2009, 2010, 2011, 2012, 2014 and 2017. Year 2013, 2015, 2016, 2018 and 2019 cannot be considered due to the insufficient number of observations in these years as year 2013 is consisting only one IPO, 2015 consist of two IPOs, 2016 consist of three IPOs 2018 and 2019 consist of two IPOs which fresh capital issue. Year-wise study on impact of factors on the issue price is made with multiple regression analysis. It is as presented in the table-4.

**Table-4:  
Impact of Select Factors on the IPO Offer Price across Years- Model Summary**

Years	R	RS	Adj RS	Std. Error of the Estimate	Durbin-Watson
2008	0.969	0.939	0.892	33.897	1.75
2009	.825 <sup>a</sup>	0.68	0.651	165.825	2.108
	.931 <sup>b</sup>	0.866	0.84	112.360	
	.977 <sup>c</sup>	0.954	0.939	69.131	
2010	0.966	0.933	0.903	42.589	1.732
2011	0.934	0.872	0.814	26.267	1.905
2012	0.998	0.996	0.994	4.025	3.412
2016	0.952	0.906	0.859	119.079	3.219
2017	0.993	0.986	0.979	11.676	0.95

Source: Values computed from SPSS using data from PRIME database and SEBI.

Table-4 indicates the model summary of factors influencing the IPOs pricing across the select years. It is observed that R values are greater than 80% indicating, there is a higher amount of Correlation between the select factors and the IPOs studied across the years. Durbin Watson value is observed to be less than 4 for the years studied. This indicates that error term or the residuals is independent or there is no auto correlation detected in the sample data.

**Table-5: Impact of Select Factors on the IPO Offer Price across Years- ANOVA Results**

Years		SS	df	MS	F	Sig.
2008	Regression	229929.856	10.000	22992.986	20.010	0.000
	Residual	14937.769	13.000	1149.059		
	Total	244867.625	23.000			
2009	Regression	866788.550	1.000	866788.550	117.786	0.000
	Residual	88308.379	12.000	7359.032		
	Total	955096.929	13.000			
2010	Regression	578233.550	10.000	57823.355	31.879	0.000
	Residual	41718.450	23.000	1813.846		
	Total	619952.000	33.000			
2011	Regression	103559.134	10.000	10355.913	15.009	0.000
	Residual	15179.411	22.000	689.973		
	Total	118738.545	32.000			
2012	Regression	7617.596	1.000	7617.596	470.164	0.002
	Residual	32.404	2.000	16.202		
	Total	7650.000	3.000			
2016	Regression	273189.219	1.000	273189.219	19.266	0.048
	Residual	28359.781	2.000	14179.890		
	Total	301549.000	3.000			
2017	Regression	19556.301	1.000	19556.301	143.428	0.007
	Residual	272.699	2.000	136.349		
	Total	19829.000	3.000			

Source: Values computed from SPSS using data from PRIME database and SEBI.

Table-5 indicates the ANOVA results of factors influencing the IPOs issue price across the years. It is observed that p value is less than 0.05 across the years at 5% level of significance indicating that select factors are significantly impacting the IPOs issue price with p value of 0 during the years 2008, 2010 and 2011, p value is of 0.001 for the year 2009, 0.002 for the year 2012, 0.048 for the year 2016, 0.007 for the year 2017.

Table-6: Impact of Select Factors and the IPOs Price across Years-Coefficient Values								
Years		Un Std Co eff		Std Co eff	t	Sig.	Co linearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
2008	(Constant)	-48.415	52.202		-0.927	0.371		
	EPS	-4.218	2.256	-0.249	-1.869	0.084	0.265	3.767
	PE Ratio	0.034	0.122	0.057	0.276	0.787	0.108	9.229
	IPE	2.823	0.629	0.379	4.491	0.001	0.659	1.518
	RONW	1.855	0.859	0.326	2.160	0.050	0.205	4.866
	NAV post issue	1.327	0.421	0.436	3.149	0.008	0.245	4.085
	NAV pre issue	-0.040	0.488	-0.008	-0.082	0.936	0.441	2.267
	Stock dilution	0.005	0.699	0.001	0.007	0.994	0.330	3.033
	Issue Amount	0.001	0.001	2.212	1.122	0.282	0.001	828.566
	Issue size	3.352	0.000	-1.492	-0.746	0.469	0.001	852.958
Total Assets	0.140	0.057	0.367	2.470	0.028	0.213	4.694	
2009	(Constant)	21.716	27.882		0.779	0.451		
	NAV post Issue	1.956	0.180	0.953	10.853	0.000	1.000	1.000
2010	(Constant)	-60.073	44.835		-1.340	0.193		
	EPS	0.275	0.283	0.057	0.972	0.341	0.840	1.191
	PE Ratio	0.646	0.229	0.363	2.826	0.010	0.177	5.652
	IPE	0.996	0.623	0.099	1.598	0.124	0.762	1.312
	RONW	2.247	0.287	0.515	7.840	0.000	0.679	1.473
	NAV Post Issue	1.863	0.257	0.553	7.239	0.000	0.502	1.992
	NAV Pre Issue	-0.150	0.094	-0.201	-1.604	0.122	0.187	5.347
	Stock dilution	-0.454	0.810	-0.042	-0.561	0.580	0.526	1.903
	Issue Amount	0.001	0.001	0.333	2.576	0.017	0.175	5.722
	Issue size	-1.857	0.000	-0.244	-2.322	0.029	0.265	3.771
Total Assets	-0.001	0.001	-0.112	-1.452	0.160	0.490	2.039	
2011	(Constant)	-34.278	29.141		-1.176	0.252		
	EPS	-3.067	1.424	-0.419	-2.154	0.042	0.154	6.508
	PE Ratio	0.507	0.134	0.482	3.776	0.001	0.357	2.802



	IPE	0.044	0.658	0.007	0.067	0.947	0.571	1.751
	RONW	3.035	0.693	0.609	4.379	0.000	0.301	3.324
	NAV Post issue	0.528	0.227	0.345	2.326	0.030	0.265	3.776
	NAV pre issue	2.263	0.606	0.673	3.736	0.001	0.179	5.585
	Stock dilution	-0.384	0.532	-0.064	-0.721	0.478	0.732	1.366
	Issue Amount	0.000	0.000	0.063	0.499	0.623	0.363	2.752
	Issue size	-9.327	0.000	-0.205	-1.559	0.133	0.335	2.986
	Total Assets	-0.005	0.011	-0.046	-0.454	0.655	0.576	1.736
2012	(Constant)	-46.151	6.375		-7.240	0.019		
	IPE	7.044	0.325	0.998	21.683	0.002	1.000	1.000
2016	(Constant)	-50.869	111.612		-0.456	0.693		
	NAV Post Issue	4.381	0.998	0.952	4.389	0.048	1.000	1.000
2017	(Constant)	611.942	33.614		18.205	0.003		
	NAV post issue	-5.221	0.436	-0.993	-11.976	0.007	1.000	1.000

Source: Values computed from SPSS using data from PRIME database and SEBI.

Table-6 indicates the coefficients of the select factors on the issue price of IPOs across the select years of the study. It is observed that during the year 2008 IPE, RNOW, NAV post issue and total assets are the factors that are impacting the IPOs issue price with p value of 0.001 for IPE, 0.050 for RONW, 0.008 for the NAV post issue and 0.028 for the Total assets. During the year 2009, NAV post issue is observed to be the most influencing factor impacting the IPOs issue price with p value of zero. During the year 2010, PE ratio, RONW, NAV post issue, issue amount, and issue size are found to be the most influencing factors, influencing the IPOs issue price with p value of 0.010 for PE ratio, 0 for RONW and NAV post issue, 0.017 for issue amount and 0.029 for issue size.

During the year 2011, EPS, PE ratio, RONW, NAV post issue and NAV pre issue are observed to be the most influencing factors, impacting the IPOs issue price with p value of 0.042 for EPS, 0.001 for PE ratio, 0 for RONW, 0.030 for NAV post issue and 0.001 for NAV pre issue. During the year 2012, IPE is observed to be the most influencing IPOs issue price with p value of 0.002. During the year 2016, NAV post issue is observed to be the most impacting with p value of 0.048. During the year 2017, NAV post issue is observed to be the most impacting the IPOs issue price with p value of 0.007.

#### 10. Conclusions of the Study

It was found that NAV post issue is the most influencing factor across majority of the classified industries. Second influencing factor is found to be the issue amount of IPOs that is impacting the IPOs pricing across six industries such as manufacturing industry, power generation and supply industry, financial and insurance activities industry, real estate activities, professional scientific and technical activities. The third influencing factor is found to be the NAV pre-issue impacting the IPOs pricing across three industrial categories namely information and communication industry, financial and insurance activity and real estate activity industry. EPS, P/E ratio, IPE ratio, RONW and issue size are found to be impacting the manufacturing industry and real estate activities.

Year-wise impact of the factors on the IPOs issued during the years 2008 to 2017 is also being made. The results indicate that among the select factors for the study NAV post-issue is impacting the IPOs pricing during the years 2008, 2010, 2011, 2016 and 2017. The second influencing factor is found to be PE ratio impacting the IPOs pricing during the years 2009, 2010 and 2011. The third impacting factors are IPE ratio influencing IPOs pricing during the year 2008 and 2012, RONW impacting during the years 2010 and 2011, total assets impacting the IPOs pricing during the year 2008 and 2009. EPS value is impacting the IPOs issue price during the year

2011. On the whole the factors impacting IPOs price was PE ratio, IPE, RONW, NAV post issue, stock dilution, issue amount and issue size across the industries during the period 2008 to 2019.

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