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A Study Of Initial Public Offering & Its Comaprative Analysis

Dr. Sachin Chavan

(Head of the Department collage of Engineering & Research, Narhe, Pune 41 Mob.9850919264.Email.sachin.chavan@zealeducation.com)

Dr. Snehal Sashte

(Assistant Professor Department of Management, Zeal College of Engineering &Research, Narhe, Pune 41 Mob.9790899922. Email. snehalsashte4@gmail.com)

And

Miss.Trupti Balasaheb Gunjal

(Finance student, Department of Management, Zeal Collage of Engineering And Research,Narhe, Pune 41.Mob.8975840559.EMAIL.truptigunjal2018@gmail.com)

Abstract: Finance is use to accomplish the money of any business .Business would not be capable to run without finance and may not get release. Finance is the basically arts and science of dealing fund of business concern is really crucial for the existence of business unit. Finance plays a significant role, right from the group of business awareness to its day-to-day effective up to insolvency stage of business. Finance aids in obtaining various researcher such as raw material, machinery, and equipment, human resources etc. and it help to keep the smooth flow of business process. Thus, and effective and healthy. Financial management organization in an association is important in simple word we can say finance is a blood of business.

Key words: Stock Exchange, Financial Management, Public offering

INTRODUCTION: A company forecasting an IPO will typically select a financier or underwriters. They will also select and exchange in which the shares will be delivered and consequently operated publically. The term initial public offering (IPO) has been a buzzword on Wall Street and among depositors for years. The Dutch are credited with directing the first modern IPO by present shares of the Dutch East India Company to the general public.

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Science then, IPOs have been used as a way for companies to increase capital from public depositors complete the issuance of public share ownership. Complete the years, IPOs have been known for uptrends and downtrends in issuance. Separate sector also knowledge uptrends and downtrends in issuance due to invention and several other e economic factors. Tech IPOs increased at the Height of the dot-com boom as startups without profits quick to list themselves on the stock market. The 2008 financial head resulted in a year with the minimum number of IPOs. After the slump following the 2008 financial crisis, IPOs ground to a halt, and for some year after, new listings were rare. More recently, much of the IPO buzz has moved to a focus on so-called startup companies that have reached private valuations of more than $ billion. INTRODUCTION: A company forecasting an IPO will typically select a financier or underwriters. They will also select and exchange in which the shares will be delivered and consequently operated publically. The term initial public offering (IPO) has been a buzzword on Wall Street and among depositors for years. The Dutch are credited with directing the first modern IPO by present shares of the Dutch East India Company to the general public. Science then, IPOs have been used as a way for companies to increase capital from public depositors complete the issuance of public share ownership. Complete the years, IPOs have been known for uptrends and downtrends in issuance. Separate sector also knowledge uptrends and downtrends in issuance due to invention and several other e economic factors. Tech IPOs increased at the height of the dot-com boom as startups without profits quick to list themselves on the stock market. The 2008 financial head resulted in a year with the minimum number of IPOs. After the slump following the 2008 financial crisis, IPOs ground to a halt, and for some year after, new listings were rare. More recently, much of the IPO buzz has moved to a focus on so-Call startup companies that have reached private valuations of more than $ billion.

Review of Literature: A literature of review would make us trust that initial public offering (IPOs) in India or greatest new states are commonly underpriced. A stock is thought to be underpriced if the final price of the first time of listing is greater than the IPO price. A review of the literature on topic authorizes that even complete the book building procedure is development over fixed price IPOs issues carry on to be meaningfully underpriced.

Purpose of the study:

To understand the concept and procedure of IPO

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To study the impression of initial public offering on stock market

To study the selected cases of IPOs

To recognize comparative IPO performance to analyze financial position of organization are represented it in annual report as its serves an essential for future performance and prospects

Research Methodology:

Meaning of research:

Research is defined logical collecting of information and data and its analysis for improvement of information in any subject.

Research tries to find answer experienced and practical question over application of ordered methods.

Analytical research:

Evaluation of presented info in an attempt to explain complex phenomenon analytical research is primarily concerned with testing hypothesis and specified and interpreting relationship.

CASE STUDY METHOD:

DATA COLLECTION:

SECONDARY DATA COLLECTION:

I have used secondary data this project. In secondary data collection the data collected by organizational document such as broacher's, which are used for research purpose in the project by the researcher purpose in the project by the researcher. This is already available data which are used by researcher to study of the project and concluding the results

CASE STUDY:

DATA ANALYSIS:

CASE STUDY 1

- COMPANY NAME:-India MART Intermesh ltd.
- Listing Date:-4 July 2019

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- Issue Price:-973
- Current Price at BSE (RS)1445.8
- Current Price at NSE (RS) 1447.

India MART inter MESH LTD. Indian e-commerce company that provide B2C,B2B and C2C sales services via its web portal the group began in 1996 when Dinesh Agrawal and Brijesh Agrawal founded the website IndiaMART.COM B2B portal to connect India manufacturing with consumers.

INDIAMART IPO

- Open Date :-24July 2019
- Close Date :-26June 2019
- Face India Value (RS)10 per equity share
- Issue type :- book built issue IPO
- Issue size :- 475cr
- Lot size:- 15 shares
- Issue Price (RS)970-973 per equity share
- Listing At:-NSE , BSE
- Listing Date:-4july 2019

Offer Details:-

Issue Open Date	24/06/2019
Issue Close Date	26/06/2019
Listing Date	04/07/2019
Face value(RS)	10.00
Offer Price/Range(RS)	970.00
Issued at (Value)	963.00
Issue Size(Retail)	487786.0@973.0/Share

Listing Day Date

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Open	1180.00
High	1338.00
Low	1302.00
Close	1180.00
Volume	RS9579782806.00

Case Study 2:

G.K.P Printing and packaging restrict (GKPL) Incorporate in April 2018, is Mumbai Maharashtra based agency working within the business of the manufacturing of corrugated containers. GKPL is likewise painting inside the alternate of Kraft paper, duplex paper and low-density plastic rolls (LD Rolls)

The revenue of the enterprise for the duration finishing December 2018 got here from production (sixty three.08%) and trading (36.17%) and buying and selling (36.17%) pinnacle 2 customers of the enterprise (Shri shyam. Packaging and spectra well-known LTD) contributes 72% of the revenue. The revenue of the company for the period ending December 2018 came from manufacturing (63.08%) and trading (36.17%). Top 2 customers of the company (Shri Shaym packaging and spectra international Ltd) contributes 72% of the revenue.

GKP Printing IPO Details

Issue Open	Apr 23,2019-Apr26,2019
Issue Type	Fixed Priced Issue IPO
Issue Size	2,056,000 Eq shares of RS10(aggregating up to RS6.58 cr)
Face Value	RS10 Per Equity Share
Issue Price	RS32 Per Equity Share
Market Loss	4000shares
Min Order Quantity	4000shares
Listing At	BSE SME

Listing Day Trading Information

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Issue Price	RS32.00
Open	RS34.20
Low	RS33.00
High	RS35.90
Last Trade	RS35.00
Volume	1,180,000

CASE STUDY 3

B C Power Controls Initial Public Offering is a SME first sale of stock of 5,760,000 value portions of the assumed worth of S10 amassing up to RS10.37 centers .the issue estimation of the Initial Public offering is RS18 per value offer. The littlest request amount is 8000 offers for every application and the offer kind is fixed value Issue.

Issue Type: fixed Price Issue IPO

Issue Price: RS18 per Equity Share

Face Value RS10 per Equity Share

Issue Size: 5,760,000 Eq Shares of RS10

They are one of the main producers of wires and Links which incorporate heavily clad Link, unarmored Link, adaptable and house wires, submersible Link, and Control and Instrumentation Link. These are fabricated utilizing quality material which is checked at each phase of generation by our profoundly experienced quality controllers.

B C POWER CONTROLS LTD, (IPO)

OFFERS DETAILS:

Issue Open Date	24/02/2014
Issue Close Date	28/02/2014
Listing Date	19/08/2019
Face Value(RS)	10.00
Offer Price/Range(RS)	18.00
Issued at (value)	8.00
Issue Size (Retail)	5472000.0@18.0/Share
Issue Type	Public Issue (Fixed Portion)

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Listing Day Date

Open	15.00
High	15.00
Low	14.00
Close	14.00
Volume	Rs 7075817.00

Case Study 4:

MSTC Limited IPO (MSTC IPO)

Incorporated in 1964, Kolkata based MSTC limited is a public sector unit (PSU) involved in the trading of bulk raw material from E-commerce service provider to government and government-control entities.

The company was previously a canalizing agency (an enterprise created special to import and/export ferrous scrap) until 1992. After de-canalization it has establish itself has an e-commerce service provider and measure player in trading of bulk raw material.

Issue open	July 22, 2019 – July 29,2019
Issue type	Fixed price Issue IPO
Issue size	2, 224,000 Eq Shares of Rs 10 (aggregating up to Rs.19.79Cr)
Face value	Rs.10 per equity share
Issue price	Rs.89 per equity shares
Market lot	1600 shares
Min Order Quantity	1600 shares
Listening At	NSE SME

	BSE	NSE
Issue price	Rs.120.00	Rs.120.00
Open	Rs.111.00	Rs.115.00
Low	Rs.110.05	Rs.111.00
High	Rs. 116.55	Rs.120.00
Last Trade	Rs.114.120	Rs.113.95
Volume	74,590	421,066

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Listening Date	Friday, March 29,2019
BSE script Score	542597
NSE Symbol	MSTC
Listening In	
ISIN	INE 255X010014
Issue price	Rs.120 per equity share
Face Value	Rs.10 Per equity share

Case Study 5:

Incorporated in October 2009, Delhi based wonder fibromas Limited is engaged in manufacturing, supplying designing of motors, home appliances, energy-efficient fans and allied equipment. Company manufacture and supplies products to many well –Known companies to distribute under their brand name. It also has an in-house quality management lab and professional R&D team to maintain quality and market recruitment. Under the supervision of the quality check (QC) department, a client satisfaction sell reviews client complaints.

Issue open	Mar 13,2019-Mar 20 ,2019
Issue Type	book built Issue IPO
Issue Size	17,670,400 Eq shares Rs.10 (aggregating up to Rs.212.04 Cr)
Face value	Rs.10 per Eq shares
Issue Price	Rs.120 – 128 per Eq shares
Retail Discount	Rs.5.50 per Equity Share
Employees Discount	Rs 5.50 per Equity Share
Market Lot	90 Shares
Min order Quantity	90 Shares
Listening At	BSE,NSE

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FINDINGS:

Following are the reasons of upside IPO

- Research & Development
- Stakeholders
- Stock option
- Profit Research margins
- Privately held companies
- Paying Interest

Following are the reasons of downside IPO

- Audits
- Credit-Worthiness
- Insider trading
- Investment bankers

CONCLUSION

- From the study understand the concept and procedure of IPO how it work and create impression on stock market
- Find the affecting of IPO on different case studies
- Recognizing's the IPO performance to analyzing financial position of organization to annual report which is essential for future performance of organization

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Website:www.lkp.com