



Determining Smes Ipos Post Listing Performance With Key Financials And Non-Financial Disclosures

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Citation: Vishal Goyal (2024) Determining Smes Ipos Post Listing Performance With Key Financials And Non-Financial Disclosures

Educational Administration: Theory And Practice, 30(4), 978 - 991

Doi: [10.53555/kuey.v30i4.1597](https://doi.org/10.53555/kuey.v30i4.1597)

ARTICLE INFO

ABSTRACT

SMEs play significant role in the country's socio economic growth. SMEs generally have capital requirements for the expansion and growth through capital expenditures. Indian SMEs are allowed to raise the capital through public offerings of securities and these SMEs have specifically designated platforms like BSE SME and NSE EMERGE to list their securities which are offered to public. Therefore this study is an attempt to inspect the relationship and effect of key financials and non-financial information on post listing performance of small medium enterprises (SMEs) public offerings. Secondary data is used to analyze the performance of Indian SMEs IPOs under this study. Data related to key-financials and non-financial disclosures are taken from SMEs IPOs draft red herring prospectus DRHP and red-herring prospectus RHPs. Data of SMEs stock prices, issue prices, offer prices and market indices are collected from BSE SME websites and NSE emerge websites according to the SMEs listing on their respective stock exchanges. Data of SMEs public offerings subscriptions are taken from basis of allotment documents SMEs IPOs. Based on secondary data analysis it is inferred that Key-financials and non-financial disclosures may be used to assess the value of post listing closing prices of SMEs public offerings up to great and significant extent for upcoming SME IPOs. These non-financial disclosures and key-financials would be mainly used to do the valuations of SMEs IPOs post listing prices after one month, three months, six months, nine months and one year which would be helpful in better decision making and valuations for SMEs stock investors in the secondary market. As the time gap from the listing day increase the determination capacity of valuation models for post listing prices come down this concludes that in the long run updated key-financials and non-financial disclosures information might be useful for better determination of post listing share prices for SMEs stock which have already listed for more than nine months on SME stock exchanges.

Keywords: IPO, IPO price, SMEs, Key-financials and Non-financial disclosures, NSE EMERGE and BSE SME.

JEL Classifications: D53; F65; G11; G23; O16

Introduction

SMEs are playing very important role in economic development and growth of our country. As it is known that SMEs act as subcontractors or suppliers of materials and are major components of demand for intermediate goods and services of large enterprises. In developing like India SMEs contribute in employment generation, sustainable growth and trade. The total GDP contribution of MSMEs was around 30% in 2019-20 (*Central Statistics Office, Ministry of Statistics & PI*). Revised definition and classification of MSMEs as per new definition of MSMEs from Ministry of Micro, Small and Medium Enterprises, Govt. of India applicable w.e.f 1st July 2020 is given as:

- Micro enterprises with investment in factory and machinery not exceeding INR 1 Crore and turnover not exceeding INR 5 Crore.
- Small enterprises with investment in factory and machinery or equipment not exceeding INR 10 Crore and turnover not exceeding INR 50 Crore.
- Medium-sized enterprises with investment in factory and machinery or equipment not exceeding INR 50 Crore and turnover not exceeding INR 250 Crore.

The share of funds provided through the capital markets for small and medium enterprises (SMEs) is currently very low. Equities are crucial to growth, and the development of the small IPO market encourages investment in small and medium-sized enterprises and, together with securitization and other non-bank debt, facilitates greater risk-sharing and risk-taking, thereby driving growth.

SME Stock Exchanges

SMEs contribute towards 33% of manufactured output during the period from 2014-15 to 2018-19 (*MSMEs annual report 2020-21*) and MSMEs have been contributing nearly 40% of overall India's exports, contributing to approx. 6.11% of the country's manufacturing GDP & 24.63% of the GDP from services sector (*Public Information Bureau, Govt. of India*). However it faces the problem of finance which is proving to be a limiting factor to their growth. Indian SMEs have to compete with the global players and they are in need of capital at low cost.

Recognizing the economic role of SMEs and their funding challenges, governments and private organizations have developed strategies to improve SMEs' access to finance. Initiatives such as the launch of dedicated capital markets segments such as the Bombay Stock Exchange Small and Medium Enterprises (BSESME) and National Stock Exchange Emerge (NSE Emerge) platforms to enable Indian SMEs to access equity financing are being undertaken.

SME Exchange is a platform for small and medium scale entrepreneurs to mobilize equity finance for future growth and expansion. BSE SME exchange was launched by BSE on 12th March 2012. Till date 416 companies are listed, among these, 163 companies are migrated into main board therefore; total 253 companies are eligible for trading. Market capitalization BSE SME listed companies is 61069.12 crore rupees (<https://www.bsesme.com>). To follow the performance SME IPOs in secondary market BSE had launched S&P BSE SME IPO index in 14th December 2012. The index is calculated by using free float method. On the same lines NSE emerge is the equity finance platform for SME from national stock exchange. NSE emerge was launched by NSE in September 2012. Presently there are 247 companies listed on NSE emerge with market capitalization of INR 35375.15 Crore (<https://www1.nseindia.com/emerge>).

Review of Literature

Many researchers and investigators tried to identify and explore the various firm's financial performance factors, non-financial factors, macroeconomic and market related factors as well as investor's behavioral factors to analyze the effect of these factors on IPOs performance in the primary and secondary market.

Many studies were conducted to investigate the contribution of firm's financial factors on IPOs performance and researchers like Navyatha, K., & Reddy, G. N. (2022) explored the factors influencing IPO pricing of 148 IPOs listed on NSE during the period from 2008 to 2019 through multiple regression technique and found that EPS and return on net worth (RONW) could affect the IPO price significantly. Asif et al. (2016) took EPS, book value per share, capital employed per share and net operating cash flow per share as dependent variables to check the effect on share price and concluded that EPS was most effecting variable on share price. Banerjee et al. (2016) studied the effect of financial ratios on IPO grading and concluded that profitability, liquidity and interest coverage ratio can significantly affect IPO grading. Mania (2015) generalized from their study that the overall financial performance of the companies improves after going public but not significantly but the profitability increases significantly. Geetha & Swaaminathan (2015) examined that book value, EPS and P/E affect market price significantly. Shehzad & Ismail (2014) concluded from their study that EPS and book value per share have significant effect on the share and EPS and book value per share were negatively correlated. Karanja (2014) studied that debt equity ratio, debt asset ratio and liquidity ratio were significantly affecting ROA of dairy sector small medium enterprises. Menike & Prabath (2014) checked the effect of EPS, DPS and BVPS on stock price and revealed that all three variables had positive significant effect on stock price. Long (2014) studied the influence of net profit of last three years, income of last three years, growth rate of net profit of last two years, growth rate in income of last two years, profit rate of last two years, ROE, IPO volume, accumulated dividend of last three years and average dividend rate on IPO applications with principal factor analysis (PFA) by taking 243 SME IPOs between 2009-2011. He concluded that successful IPO application were determined by five principal factors that are firm size, profitability, growth rate, IPO volume and dividend rate. Alanazi & Liu (2013) indicated that operating performance of companies decreases during the post-IPO period and it was found in their investigation that average ROA and ROS after IPO period declined by 47% and 25%. Wang et al. (2013) considered profitability, EPS, accounts receivable ratio, liquidity ratio, quick ratio, inventory turnover ratio and return

on equity to check their effect on stock price. They found that profitability, return on equity and EPS have significant effect on stock price. Emamgholipour et al. (2013) took EPS, P/E price to earnings ratio and market value to book value ratio M/B to study their effect on stock current year and future year returns. They concluded that EPS had positive significant effect on current year return but P/E and M/B had negative significant effect on current and future year stock returns. Glezakos et al. (2012) suggested that the explanatory power of earnings and book value in the formulation of prices increases over time. It also found that, in the last years, earnings appear to play an increasingly diminishing role in the interpretation of stock prices, compared with the book value. Taani & Banykhaled (2011) studied the effect of net profit margin NPM, return on equity (ROE), current ratio CR, debt to equity ratio DER, total asset turnover TATO, price to book value PBV, total assets TA and cash flow from operations/sales CFO/sales on earning per share EPS by applying regression. It was found that variables which are consistently significant on earning per share are ROE, PBV, cash flow from operating activities and DER.

Numbers of attempts were made to explore and examine effect of factors that are not related to firm's financial performance on the IPO performance in primary and secondary market. Some of the studies highlighted as Srivastava, S. P (2022) investigated the cognitive decision making process of investment in SMEs IPOs by retail investors. He analyzed the data qualitatively through sentiment analysis and concluded that the herding behavior of investor contributes significantly in investment decision making and investor most of the time thinks that IPOs are underpriced and provide positive initial return but in the long run IPOs underperform. Arora, N. and Singh, B. (2020) studied the impact of different variables like Issue price (IP), Pricing mechanism (PM), Issue size (IS), Firm Size (FS), Listing Delay (LD), Underwriter Reputation (UR), Hot Market (HM) and Underpricing (RR) on the subscription of SMEs IPOs through quantile regression and concluded that issue price, pricing mechanism, listing delay affect oversubscription inversely on the other side firm size, underwriter reputation, hot market and underpricing have been contributed positively in determining SMEs IPOs oversubscription and issue size emerged out to be significant in quantile regression at 25th, 50th and 75th quantiles. Banerjee and Rangamani (2015) had taken 171 Indian companies IPOs from 2007 to 2013 in the post mandatory IPO regime as sample to check the influence of market specific factors like change in money supply M3, change in FII inflow, market PE, market return and firm specific factors like pre issue RONW, pre issue D/E, post issue promoter holding, firm age, issue size, reputation of lead manager, whether directors have other board membership on IPO subscription level by using multiple regression technique. They found that money supply, FII inflow and market PE have significant positive influence while D/E and board size have significant negative influence on investor IPO subscription level. Bhatia and Agarwal (2015) had considered the sample of 34 Indian IPOs between 2011- 2012 to study the effect of board size, board independence, company size, firm age, leverage, managerial ownership and industry difference on Intellectual Capital disclosure with multivariate analysis. They calculated Intellectual Capital disclosure score with content analysis. The result of their study concluded that there was significant effect of industry type on Intellectual Capital disclosure. Neupane et al. (2014) investigated 142 Indian IPOs from 2007-2011 to check the effect of fundamental quality of IPOs and investor's sentiments on retail subscription of IPOs, offer price, Initial returns and after market performance with the help of tobit regression analysis. Investor's sentiments covered grey market premium, average initial returns of IPOs, 3 week market returns and market volatility. Fundamental quality considered IPO grading, size of issue, underwriter reputation, Institutional investor participation, age of the firm and industry type. This was concluded that retail subscription was significantly affected by investor sentiments but institutional investor subscription was affected by IPO grading. Offer price was significantly influenced by grey market premium along with retail and institutional subscription. There was positive significant relationship between grey market premium and initial returns along with after market performance was also significantly determined by firm quality in long run. Ho et al. (2012) studied the effect of Intellectual Capital disclosure and some corporate factors like firm size, managerial ownership, industry type and firm age on IPO subscription by using correlation and regression. The constituents of Intellectual Capital disclosure were divided into six dimensions: employees, customers, information technology, processes, research and development and strategic statements. They had taken sample of 60 Hong Kong IPOs listed between 2008 to 2010. The results showed that strategic statements, research and development, information technology and firm size had positive significant effect on subscription level. Latham and Braun (2010) studied a sample of 124 firms from March 2000 to October 2002 by using logistic regression model to measure influence of CEO ownership and firm's leverage level on firm's probability to go for IPO. They documented that CEO ownership and leverage have positive relation in decision to go public but low CEO ownership, low leverage and very high CEO ownership, very high leverage recommended not to go public. Chang et al. (2010) took 1194 listed IPOs from 1993 to 2004 to study the effect of B/M ratio, P/E ratio, underwriter reputation, board size and ownership structure on post IPO stock performance by using different regression analysis approaches. They proved that P/E ratio is the most robust determinant of post IPO stock performance and it has negative relation with stock performance. Also B/M ratio, underwriter reputation, board size and firm size have significant predictive power for post IPO stock returns. Jones and Swaleheen (2010) considered all IPOs of USA from 1980 to 2003 to study the relationship between underwriter reputation and IPO returns. The result showed that initial returns negatively related to underwriter reputation between 1980 to 1991 and significantly

positively related to from 1992 to 2003. Gopaldaswamy et al. (2008) investigated the effect of fixed price offer, book building offer, period of issue, sector in which industry operates on long run post issue performance of IPOs. They took all Indian IPOs listed during 1999 to 2004 and showed that considered variables had no effect on post IPO performance in short run but in long run IPOs issued through book building had performed better than IPOs issued through fixed price offer. Sohail & Nasr (2007) studied 50 IPOs of KSE from 2000 to 2006 to find the determinants of underpricing. They took uncertainty, market capitalisation, secondary issue, oversubscription, proportion of shares offered to public, offer size, price earnings ratio and market volatility as independent variables and MAAR as dependent variable to measure underpricing. They concluded after applying cross sectional regression analysis that uncertainty, offer size, market capitalisation and oversubscription were only significant variables to determine the level of underpricing. Zahn et al. (2007) researched the relationship between Intellectual Capital voluntary disclosure information in prospectus and long run performance of 228 Singapore firms during 1997-2003 with t test and regression. They concluded that Intellectual Capital information was inversely associated with long run IPO performance. Cordazza (2007) considered all IPOs from Nuovo Mercato and Borsa of Italy between 1999-2002 to study the association between intangible disclosures mentioned in the prospectus and firm specific variables with regression. He reported that firm size and pre IPO managerial ownership were associated with intangible disclosures whereas firm age and level of technology were not. He also found that intangibles disclosure were important in assessing firm's value. Shi et al. (2007) investigated the relationship between IPOs underpricing and disclosure requirement of IPOs prospectus by taking 6025 IPOs as sample taken from 34 different stock exchanges across the world between 1995 to 2002. They documented that IPO underpricing and disclosure regulations were negatively associated and disclosure effect was significantly smaller in countries with strong auditing regimes. Strom (2006) analyzed IPO prospectuses and annual reports of companies from 2000 to 2002 with self-constructed disclosure index consisting of 34 variables and proved that prospectuses contain considerably more information than annual reports to reduce information asymmetry. Strom (2006) researched IPO prospectuses of companies from 1996 to 2004 by using content analysis and found that profit forecasts were value relevant for investors. Flostrand and Strom (2006) investigated sell side analysts equity reports of year 2004 by using pre developed Jenkins disclosure index consisting of 70 variables and documented that non-financial information is valuation relevant. It was also concluded that there was a positive relation between analysts report content and target firm size. Bukh et al. (2005) analyzed the effect of variables like company type, managerial ownership, firm size and firm age on Intellectual Capital disclosure by regression. They had taken sample of 68 IPOs listed on Copenhagen stock exchange between 1990 to 2001. Content analysis was used to calculate Intellectual Capital disclosure score. They concluded that managerial ownership and company type significantly affect Intellectual Capital Disclosure. Chiraphadhanakul and Gunawardana (2005) considered sample of 95 IPOs of Thailand stock exchange (SET) between 2000 to 2004 to study the influence of variables like 60 day trend of SET index, 60 day trend of SET volume, firm age, firm size, return on total assets (ROA), debt ratio, return on average of 3 year returns (RO3), P/E ratio and PE ratio of three years (PE3) on initial returns of IPOs by regression analysis. The results proved that firm size, PE3, debt ratio, SET volume trend and SET index trend had significant effect on the initial returns of IPO. Jaskiewicz et al. (2005) considered all German and Spanish IPOs, non-family owned IPOs and age of the firm on buy and hold abnormal returns (BHAR). They found that family owned IPOs had positive impact on the long run stock performance and reverse was true for firm's age. Breton and Taffler (2001) analyzed 105 analysts' reports from October 1989 to February 1990 by using content analysis. They framed five thematic categories like growth, management and strategy, profitability, financial position and market conditions further these thematic categories were used to drive 15 thematic variables by adding positive, negative and neutral situations with each thematic category. They identified from the univariate analysis that four variables management and strategy positive, management and strategy neutral, market conditions negative and financial position positive were significantly contributing in stock recommendations. From multivariate analysis they concluded that three variables management and strategy neutral, management and strategy positive and profitability positive could predict analyst judgments.

There were studies which illustrated the role of macroeconomic and market related factors in stock performance and inference can be withdrawn for the same from the researchers like P et al. (2017) executed empirical study from Jan. 2013 to Dec. 2015 to analyze impact of macroeconomic indicators like IIP, Interest rate, inflation rate, GDR, FDI, crude oil price and exchange rate on S&P BSE SME IPO index value by using correlation, multiple regression and Granger Causality techniques. They concluded that inflation rate and interest rate have positive significant impact on BSE SME IPO index whereas exchange rate has negative significant impact on the same. Al-Tamini et al. (2011) investigated sample of 17 companies of UAE financial market from 1990 to 2005 by applying OLS regression analysis to study the effect of variables EPS, money supply, GDP, interest rate, DPS, oil price and CPI. They identified that EPS was most positive significant influencing factor on stock prices along with positive significant relationship was reported between stock price, money supply and GDP whereas negative significant relationship between stock price, CPI and interest rate was found. Boulton et al. (2010) investigated the effect of country level governance on IPO underpricing

by taking sample of 4462 IPOs across 29 countries between 2000 and 2004. They reported that underpricing was higher in countries where corporate governance strengthens investors relative to insiders. Gao (2010) studied China's IPOs initial returns and found that various behavioral variables like market momentum, individual investor oversubscription and trading volume had significant influence on the IPOs initial returns. Brau et. al. (2007) took sample of 4219 IPOs from Center for Research in Security Prices database (CRSP) between 1990 and 2001 to study the impact of secondary share sales, insider selling and secondary share revisions on aftermarket IPOs performance. The result reported that insider selling was inversely related to long run performance and after market performance was not influenced by offerings type whether primary or secondary. Marisetty and Subrahmanyam (2006) considered 2713 Indian IPOs during 1990-2004 to compare the performance of IPOs initial returns that were affiliated to business groups, foreign business groups (MNCs), Government affiliated firms and standalone firms. They observed that performance of IPOs that were affiliated to foreign groups and business groups performed better. Tvaronavičiene and Michailova (2006) analyzed quarterly data of Lithuania stock exchange OMX Vilnius stock index from 2000 to 2005 with correlation and regression analysis to study the impact of macroeconomic variables FDI, state budget revenue, state budget expenditure, GDP, price index of consumer goods and services, money supply, average profitability of governmental bonds and inflation on Vilnius stock index. They demonstrated that GDP, CPI, M2, average profitability of governmental bonds have positive impact on OMX Vilnius stock index whereas FDI, state budget revenue and expenditure as well as inflation had impacted negatively.

Research Gap

Review of literature was done and this was extracted that most of the research studies were based on the performance of IPOs from the returns perspective and very limited studies were available which discussed about the price valuation of IPOs in the post listing phase especially for SMEs IPOs the few number of studies have been done so far in this context. There is a gap between number of research studies availability for mainstream companies stocks and SMEs in the context of performance and valuation of IPOs in the pre and post listing phase. In addition to that very limited researches considered non-financial factors for the valuation and performance analysis of IPOs which again gives space to go for further study. This study was carried out to bridge the gaps up to some extent which were identified in review of literature.

Methodology

In this research 352 SME IPOs offering common equity securities from time period June 2012 to March 2021 were taken as sample. Secondary data related to closing price of SME IPOs after one month from the listing, closing price of SME IPOs after three months from the listing, closing price of SME IPOs after six months from the listing, closing price of SME IPOs after nine months from the listing and closing price of SME IPOs after one year from the listing, were collected from two SME stock exchanges of India which are BSE SME and NSE EMERGE. These all types of post listing prices of SME IPOs were taken as dependent variables to test the hypothesis of objective of this research article by using multivariate regression. Data related to key financials and non-financial variables were collected from the prospectus documents of these 352 SME IPOs, financial statements, Capitaline data base and other useful and reliable sources. There were total 50 variables related to key financials and non-financial disclosures taken as independent variables out of which 36 variables were related to non-financial disclosures construct and 14 variables were made the key financials construct for the study of respective objective under this research.

Construct of the Study

SMEs key-financials and non-financial disclosures were taken as independent construct to achieve the objectives related to factors determining post listing performance. One month, three months, six months, nine months and One year SMEs IPOs closing prices were considered as dependent variables.

Key-Financials

Public offerings documents are a primary source of financial information about public companies and are mandatory to disclose to all potential investors of company's public offerings to make decisions about investments. These offer documents are also called companies prospectus and companies have to file these documents with SEBI as per SEBI (Issue of capital and disclosure requirements) Regulations 2009.

Many financial analysts and investors use key financial ratios to evaluate companies for investment decisions. After the extensive review of literature some useful financial ratios were identified as key financials which would provide useful financial information to do valuations and hence make investments in SMEs public offerings. Debt-Equity Ratio (D/E), Long Term Debt-Equity Ratio (L_D/E), Current Ratio (CR), Fixed Assets Turnover (FA_Turn), Inventory Turnover (Inv_Turn), Debtors Turnover (Deb_Turn), Interest Cover Ratio (Int_Cov), Profit before interest depreciation and tax margin (PBIDTM), Profit before interest and tax margin (PBITM), Profit before depreciation and tax margin (PBDTM), Contribution profit margin (CPM), Adjusted profit after tax margin (APATM), Return on Capital Employed (ROCE) and Return on Net Worth (RONW) were considered for this study as Key-Financials.

Non-Financial disclosures

In present age investors do not make investments decisions not only on the basis of financial information besides this investors need information related to organisation's strategy, governance structure, intellectual capital, social responsibility, human capital, social and relationship capital etc. This type of information is called non financial information. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 companies have to provide non financial disclosures in the offer documents so that investors can be better informed about companies. After the review of previous researches various variables related to non-financial disclosures were identified which are given as: Offer Price (OP), Market Maker Subscription (Subs_MM), Retail Subscription (Subs_R), Non Retail Subscription (Subs_NR), Overall Subscription (Subs_O), Stock Exchange (ST_EX), Issue Type (Iss_TY), Company Type (Com_TY), Issue Size (Shares) (Iss_Shares), Issue Size (Value) (Iss_Value), Lot Size (Shares) (Lot), Market Maker Reserve (Res_MM), Net Issue of Shares (Iss_Net), Shares Allotted to Market Makers (Allot_MM), Shares Allotted to Retail Investors (Allot_R), Shares Allotted to Non Retail Investors (Allot_NR), Market Makers %age Allocation (MM_%Allot), Retail Investors %age Allocation (R_%Allot), Non Retail Investors %age Allocation (NR_%Allot), Firm Size (Fi_Si), Independent Directors (Ind_Dir), Board Size (Board), Type of Affiliation (It is measured through two dummy variables considering three types of affiliations which are private Indian group companies, standalone companies and private foreign group companies. Variable "Private" would be the first dummy variable if the firm is affiliated to private Indian group then it takes value as 1 else 0. Variable "Standalone" would be the second dummy variable if the firm is standalone then it takes value as 1 else 0. Dummy variable for Foreign group type of affiliation would be considered as reference group.), No of Group entites (No_Grp), Prior Market Returns (Pr_Mkt_Rtrn), Prior Market Volatility (Pr_Mkt_Vlty), Prior Initial Returns (Pr_Ini_Rtrn), IB Positive Listings (IB_Pos), IB Total Listings (IB_Tot), IB Success Rate (IB_Rate), Listing Delay (Lis_Dly), Firm Age (Age) and Board Independence (Brd_Indp).

Objective of the Study

This research article tried to explore the relationship and effect of key financials and non-financial information on post listing performance of small medium enterprises (SMEs) public offerings. There are investors who are not able to get the securities which are offered publically during the initial allotment period so those investors try to buy those from the stock exchanges on the listing day as well as after listing and those investors who have already been allotted securities try to sell after listing of securities on stock exchanges to book their expected profit so post listing prices of securities may have variation from the issue price. Firms formally disclose their key financial and non-financial information to the public through prospectus document before the opening of public offerings subscription. This manuscript studied in detail the contribution of different types of key financials and non-financial disclosures in determining post listing performance of SMEs public offerings. The below given objective of this research study was studied by testing statistically the below mentioned null hypothesis.

Objective: To examine the contribution of key financials and non-financial disclosures in determining post listing performance of SMEs public offerings.

Null Hypothesis H_0 : Key financials and non-financial disclosures have no contribution in determining post listing performance of SME public offerings.

To test statistically the main null hypothesis related to respective research objective had further been divided into set of five null hypotheses according to five dependent variables due to five types of SME IPOs post listing prices which were closing price of SME IPOs after one month from the listing, closing price of SME IPOs after three months from the listing, closing price of SME IPOs after six months from the listing, closing price of SME IPOs after nine months from the listing and closing price of SME IPOs after one year from the listing. These all null hypotheses are given below as:

Main

- **H_0 :** Key financials and non-financial disclosures have no contribution in determining post listing performance of SME public offerings.

Set of Five null hypotheses

- **$H_{(a)}$:** There is no effect of key financials and non-financial disclosures on One month price of SME IPOs.
- **$H_{(b)}$:** There is no effect of key financials and non-financial disclosures on Three months price of SME IPOs.
- **$H_{(c)}$:** There is no effect of key financials and non-financial disclosures on Six months price of SME IPOs.
- **$H_{(d)}$:** There is no effect of key financials and non-financial disclosures on Nine months price of SMEs IPOs.
- **$H_{(e)}$:** There is no effect of key financials and non-financial disclosures on One year price of SMEs IPOs.

All the set of five null hypotheses mentioned above were statistically analyzed and interpreted in the subsequent subsections of this article.

Analysis of multivariate regression model between One month price of SMEs public offerings and key financials and non-financial disclosures

H_(a): There is no effect of key financials and non-financial disclosures on One month price of SME IPOs

One month price of SME IPOs as dependent variable: According to multiple regression output table 1, this was observed that the model was significant as the ANOVA F statistics and P values were calculated as 232.47 and 0.000 respectively at 5% significance level so the above given null hypothesis was not accepted and this was extracted that there was significant effect of key financials and non-financial disclosures on SME IPOs price after one month from listing day. As per table 1, the value of adjusted R square was calculated as 0.93 inferred that the model could determine the after one month listing price of SMEs public offerings up to 93% accuracy which was very high and significant at 5% significance level and acceptable so the suggested model to determine after one month listing price of SMEs public offerings through the key financials and non-financial disclosures is given as:

$$\text{One Month SME IPO Price} = 15.204 + 0.107*(\text{Subs_R}) - 3.593*(\text{ST_EX}) - 6.939*(\text{Iss_TY}) - 2.618*10^{-6}*(\text{Allot_NR}) + 0.188*(\text{NR_}\% \text{Allot}) + 0.977*(\text{Lis_Clsg}) - 20.361*(\text{Private}) - 21.413*(\text{Standalone}) + 0.239*(\text{No_Grp}) - 0.263*(\text{Pr_Mkt_Rtrn}) + 0.126*(\text{Pr_Ini_Rtrn}) + 0.047*(\text{IB_Tot}) + 0.073*(\text{IB_Rate}) - 0.057*(\text{Lis_Dly}) + 0.207*(\text{Age}) - 0.48*(\text{D/E}) + 0.003*(\text{FA_Turn}) - 0.02*(\text{Deb_Turn}) + 0.042*(\text{Int_Cov}) + 0.041*(\text{RONW})$$

Analysis of multivariate regression model between Three months price of SMEs public offerings and key financials and non-financial disclosures

H_(b): There is no effect of key financials and non-financial disclosures on Three months price of SME IPOs.

Three months price of SME IPOs as dependent variable: According to multiple regression output table 2, this was observed that the model was significant as the ANOVA F statistics and P values were calculated as 114.872 and 0.000 respectively at 5% significance level so the above given null hypothesis could not be accepted and this was extracted that there was significant effect of key financials and non-financial disclosures on Three months SME IPOs price. As per table 2, the value of adjusted R square was calculated as 0.82 inferred that the model could determine the price after Three months from listing of SMEs public offerings up to 82% accuracy which was high as well as significant at 5% significance level and acceptable so the suggested model to determine price after Three months from listing of SMEs public offerings through the key financials and non-financial disclosures is given as:

$$\text{Three Months SME IPO Price} = 44.64 - 0.146*(\text{Subs_O}) - 6.568*(\text{ST_EX}) - 1.166*(\text{OP}) + 2.144*(\text{Lis_Clsg}) - 59.859*(\text{Private}) - 67.965*(\text{Standalone}) + 0.166*(\text{IB_Tot}) - 0.1*(\text{Lis_Dly}) + 0.606*(\text{Age}) + 1.167*(\text{D/E}) - 2.926*(\text{L_D/E}) + 0.043*(\text{FA_Turn}) - 0.02*(\text{Deb_Turn}) + 0.522*(\text{ROCE})$$

Analysis of multivariate regression model Six months price of SMEs public offerings and key financials and non-financial disclosures

H_(c): There is no effect of key financials and non-financial disclosures on Six months price of SME IPOs.

Six months price of SME IPOs as dependent variable: According to multiple regression output table 3, this was observed that the model was significant as the ANOVA F statistics and P values were calculated as 17.636 and 0.000 respectively at 5% significance level so the above given null hypothesis could not be accepted and this was extracted that there was significant effect of key financials and non-financial disclosures on three months SME IPOs price. As per table 3, the value of adjusted R square was calculated as 0.416 inferred that the model could determine the price after Six months from listing of SMEs public offerings up to 41.6% accuracy which was moderate and significant at 5% significance level and acceptable so the suggested model to determine price after Six months from listing of SMEs public offerings through the key financials and non-financial disclosures is given as:

$$\text{Six Months SME IPO Price} = 341.803 - 0.478*(\text{Subs_O}) - 30.323*(\text{ST_EX}) - 57.027*(\text{Iss_TY}) - 0.0000153*(\text{Allot_NR}) + 0.581*(\text{NR_}\% \text{Allot}) - 5.231*(\text{OP}) + 6.042*(\text{Lis_Clsg}) - 313.256*(\text{Private}) - 338.584*(\text{Standalone}) + 22.298*(\text{Pr_Mkt_Vlty}) + 0.448*(\text{IB_Tot}) - 0.402*(\text{IB_Rate}) + 0.059*(\text{FA_Turn}) + 0.503*(\text{Int_Cov}) + 1.725*(\text{ROCE})$$

Analysis of multivariate regression model Nine months price of SMEs public offerings and key financials and non-financial disclosures

H_(d): There is no effect of key financials and non-financial disclosures on Nine months price of SME IPOs.

Nine months price of SME IPOs as dependent variable: According to multiple regression output table 4, this was observed that the model was significant as the ANOVA F statistics and P values were calculated as 11.413 and 0.000 respectively at 5% significance level so the above given null hypothesis was not accepted and this was extracted that there was significant effect of key financials and non-financial disclosures on price after Nine months from listing of SME IPOs. As per table 4, the value of adjusted R square was calculated as 0.263 inferred that the model could determine the price after Nine months from listing of SMEs public offerings up to 26.3% accuracy which was quite moderate and significant at 5%

significance level and acceptable so the suggested model to determine price after Nine months from listing of SMEs public offerings through the key financials and non-financial disclosures is given as:

$$\text{Nine Months SME IPO Price} = 1085.53 - 1.348*(\text{Subs_O}) - 98.34*(\text{ST_EX}) - 219.416*(\text{Iss_TY}) - 16.049*(\text{OP}) + 16.553*(\text{Lis_Clsg}) - 1056.27*(\text{Private}) - 1118.208*(\text{Standalone}) + 73.376*(\text{Pr_Mkt_Vlty}) - 20.878*(\text{IB_Pos}) + 19.877*(\text{IB_Tot}) + 1.624*(\text{Int_Cov}) + 5.046*(\text{ROCE})$$

Analysis of multivariate regression model One year price of SMEs public offerings and key financials and non-financial disclosures

H_(e): There is no effect of key financials and non-financial disclosures on One year price of SME IPOs.

One year price of SME IPOs as dependent variable: According to multiple regression output table 5, this was observed that the model was significant as the ANOVA F statistics and P values were calculated as 10.866 and 0.000 respectively at 5% significance level so the above given null hypothesis was not accepted and this was extracted that there was significant effect of key financials and non-financial disclosures on price after One year from listing of SME IPOs. As per table 5, the value of adjusted R square was calculated as 0.268 inferred that the model could determine the price after One year from listing of SMEs public offerings up to 26.8% accuracy which was not high but significant at 5% significance level and acceptable so the suggested model to determine price after One year from listing of SMEs public offerings through the key financials and non-financial disclosures is given as:

$$\text{One year SME IPO Price} = 936.509 - 1.129*(\text{Subs_O}) - 76.718*(\text{ST_EX}) - 172.122*(\text{Iss_TY}) - 12.792*(\text{OP}) + 13.449*(\text{Lis_Clsg}) - 28.431*(\text{Ind_Dir}) - 840.839*(\text{Private}) - 885.209*(\text{Standalone}) + 55.795*(\text{Pr_Mkt_Vlty}) - 16.285*(\text{IB_Pos}) + 15.486*(\text{IB_Tot}) + 1.332*(\text{Int_Cov}) + 3.845*(\text{ROCE})$$

Conclusion and Summary

One month price of SMEs public offerings: From the table 1, this has been observed that the variables Retail Subscription, Issue Type, Non Retail Investors %age Allocation, Listing Day Closing Price, Private, Standalone, Prior Market Returns, Listing Delay, Firm Age, Fixed Assets Turnover and Debtors Turnover significantly affect the One month price of SMEs IPOs at maximum of 10% significance level. The variables Retail Subscription, Issue Type, Non Retail Investors %age Allocation, Listing Day Closing Price, Type of Affiliation, Standalone, Prior Market Returns, Listing Delay and Firm Age belong to non-financial disclosures on the other side the variables Fixed Assets Turnover and Debtors Turnover belong to key-financials. The Retail Subscription of SMEs IPOs determines the value of one month closing price of SME IPOs directly which means that the higher IPOs retail subscription leads to higher one month closing price of SMEs stocks from the listing day. Issue Type variable is a dummy variable indicates that the secondary market investors of SME stocks give more valuation to book building SMEs public issues as compared to fixed price public issues even after one month from the day of listing of SMEs IPOs. The variable Non-Retail Investors %age Allocation contributes directly in determining one month closing price of SME IPOs means that more percentage allocation to non-retail investors brings the one month closing price of SME IPOs on higher side because the buying capacity of non-retail investors is comparatively higher than retail investors as it includes high net worth individuals and institutional investors who can buy in bulk and create more positive sentiment for the SMEs IPOs. The variable Listing Day Closing Price contributes directly in determining one month closing price of SME IPOs means that SME IPO closed with more price on the listing day from the issue price brings the one month closing price of SME IPOs on higher side. The variables Private and Standalone are the dummy variables infer that secondary market investors of SME stocks are bullish for SME companies having affiliation with other foreign group companies as compared to SME companies having no affiliation or private group affiliation even after one month from the day of listing. The variable Prior Market Returns inversely affects the one month closing price of SME IPOs and also indicates that the one month closing price would be high if the SME stock market short term returns would be on downside at the time of three months before opening of SME IPOs issue. This may be due to the secondary market investor perception of expecting high price of SME IPOs after one month from listing day as a compensation of down market at the time SME IPOs issue opening. The variable Listing Delay which is number of days between listing date and SME IPO issue closing date, this listing delay influences oppositely to determine the one month SMEs IPOs price indicates that the IPOs should avoid listing delay else it may negatively impact for short run the valuation of stocks in the secondary market. The variable Firm Age also contributes positively in the one month price of SMEs IPOs indicates that older the SME firms stocks would be values high even after one month from the listing. The key-financial Fixed Assets Turnover has positive coefficient in determining one month closing price of SMEs IPOs ascertains that the SMEs those having high capacity to utilize its fixed asset to generate revenues can expect more valuation in the price of the securities listed on the SME stock market. The variable Debtors Turnover determine inversely the one month closing price of SMEs IPOs which mean that the SMEs those having high debtor turnover their stocks would be valued on low side in the secondary market for short run.

Three months price of SMEs public offerings: From the table 2, this has been observed that the variables Overall Subscription, Offer Price, Listing Day Closing Price, Private, Standalone, IB Total Listings, Listing Delay, Firm Age, Fixed Assets Turnover and Return on Capital Employed significantly affect the Three months price of SMEs IPOs at maximum of 10% significance level. The variables Overall Subscription, Offer Price, Listing Day Closing Price, Private, Standalone, IB Total Listings, Listing Delay and Firm Age belong to non-financial disclosures on the other side the variables Fixed Assets Turnover and Return on Capital Employed belong to key-financials. The Overall Subscription of SMEs IPOs determines the value of three months closing price of SME IPOs negatively which means that the higher IPOs overall subscription leads to lower three months closing price of SMEs stocks from the listing day. The variable Offer Price contributes oppositely in determining three months closing price of SME IPOs means that SMEs IPOs issued with more premium price from the face value brings the valuation of three months closing price of SME IPOs on the lower side. The variable Listing Day Closing Price contributes directly in determining three months closing price of SME IPOs means that SME IPO closed with high price on the listing day from the issue price brings the three months closing price of SME IPOs on higher side. The variables Private and Standalone are the dummy variables infer that secondary market investors of SME stocks are bullish for SME companies having affiliation with other foreign group companies as compared to SME companies having no affiliation or private group affiliation even after three months from the day of listing. The variable IB Total Listings reveals the role of investment banker in three months closing price of SMEs IPOs which indicates that number of number of IPOs handled by investment banker during the time period prior to the SME IPO affects positively three months closing price of SMEs IPOs so the more the number of IPOs handled by investment banker, three months closing price of SMEs IPOs may be high because investors may think that investment banker might get better experience in making the IPOs successful. The variable Listing Delay which is number of days between listing date and SME IPO issue closing date, this listing delay influences oppositely to determine the three months closing price of SMEs IPOs indicates that the IPOs should avoid listing delay else it may negatively impact for short run the valuation of stocks in the secondary market. The variable Firm Age also contributes positively in the three months closing price of SMEs IPOs indicates that older the SME firms stocks would be values high even after three months from the listing. The key-financial Fixed Assets Turnover has positive coefficient in determining three months closing price of SMEs IPOs ascertains that the SMEs those having high capacity to utilize its fixed asset to generate revenues can expect more valuation in the price of the securities listed on the SME stock market. The variable Return on Capital Employed which is related to key-financials also influences the three months closing price of SMEs IPOs directly states that the investors would do valuation on higher side of those SMEs stocks having higher SME firm's returns on invested capital.

Six months price of SMEs public offerings: From the table 3, this has been observed that the variables Stock Exchange, Issue Type, Offer Price, Listing Day Closing Price, Private, Standalone, Fixed Assets Turnover, Interest Cover Ratio and Return on Capital Employed significantly affect the Six months price of SMEs IPOs at maximum of 10% significance level. The variables Stock Exchange, Issue Type, Offer Price, Listing Day Closing Price, Private and Standalone belong to non-financial disclosures on the other side the variables Fixed Assets Turnover, Interest Cover Ratio and Return on Capital Employed belong to key-financials. Stock exchange variable is a dummy variable that indicates that the secondary market investors of SMEs stocks prefer to trade SMEs IPOs at higher price even after six months from the listing day at SME platform of BSE named as BSE SME as compared to SME platform on NSE called as NSE EMERGE. Issue Type variable is a dummy variable indicates that the secondary market investors of SME stocks give more valuation to book building SMEs public issues as compared to fixed price public issues even after six months from the day of listing of SMEs IPOs. The variable Offer Price contributes oppositely in determining six months closing price of SME IPOs means that SMEs IPOs issued with more premium price from the face value brings the valuation of six months closing price of SME IPOs on the lower side. The variable Listing Day Closing Price contributes directly in determining six months closing price of SME IPOs means that SME IPO closed with high price on the listing day from the issue price brings the six months closing price of SME IPOs on higher side. The variables Private and Standalone are the dummy variables infer that secondary market investors of SME stocks are bullish for SME companies having affiliation with other foreign group companies as compared to SME companies having no affiliation or private group affiliation even after six months from the day of listing. The key-financial Fixed Assets Turnover has positive coefficient in determining six months closing price of SMEs IPOs ascertains that the SMEs those having high capacity to utilize its fixed asset to generate revenues can expect more valuation in the price of the securities listed on the SME stock market. The key-financial Interest Cover Ratio has positive coefficient in determining six months closing price of SMEs IPOs ascertains that the SMEs those having high capacity to fulfill its long term debt obligation can expect better valuation for the equity securities listed on SMEs stocks exchanges. The variable Return on Capital Employed which is related to key-financials also influences the six months closing price of SMEs IPOs directly states that the investors would do valuation on higher side of those SMEs stocks having higher SME firm's returns on invested capital.

Nine months price of SMEs public offerings: From the table 4, this has been observed that the variables Stock Exchange, Issue Type, Offer Price, Listing Day Closing Price, Private, Standalone, IB Positive

Listings, IB Total Listings, Interest Cover Ratio and Return on Capital Employed significantly affect the nine months price of SMEs IPOs at maximum of 10% significance level. The variables Stock Exchange, Issue Type, Offer Price, Listing Day Closing Price, Private, Standalone, IB Positive Listings and IB Total Listings belong to non-financial disclosures on the other side the variables Interest Cover Ratio and Return on Capital Employed belong to key-financials. Stock exchange variable is a dummy variable that indicates that the secondary market investors of SMEs stocks prefer to trade SMEs IPOs at higher price even after nine months from the listing day at SME platform of BSE named as BSE SME as compared to SME platform on NSE called as NSE EMERGE. Issue Type variable is a dummy variable indicates that the secondary market investors of SME stocks give more valuation to book building SMEs public issues as compared to fixed price public issues even after nine months from the day of listing of SMEs IPOs. The variable Offer Price contributes oppositely in determining nine months closing price of SME IPOs means that SMEs IPOs issued with more premium price from the face value brings the valuation of nine months closing price of SME IPOs on the lower side. The variable Listing Day Closing Price contributes directly in determining nine months closing price of SME IPOs means that SME IPO closed with high price on the listing day from the issue price brings the nine months closing price of SME IPOs on higher side. The variables Private and Standalone are the dummy variables infer that secondary market investors of SME stocks are bullish for SME companies having affiliation with other foreign group companies as compared to SME companies having no affiliation or private group affiliation even after nine months from the day of listing. The variable IB Total Listings reveals the role of investment banker in nine months closing price of SMEs IPOs which indicates that number of number of IPOs handled by investment banker during the time period prior to the SME IPO affects positively nine months closing price of SME IPOs on the SME stock exchange so the more the number of IPOs handled by investment banker, the investors may be bullish for SME stock. The variable IB Positive Listings disseminate the role of investment banker in price valuation of SMEs IPOs after nine months from the listing signify that number of IPOs handled by investment banker in which IPO is underpriced or provided positive return to the investor during the time period prior to the SME IPO affects inversely the price valuation of SME IPOs so the more the number of IPOs provided positive returns handled by investment banker lower would be the price of IPOs on stock exchange. The key-financial Interest Cover Ratio has positive coefficient in determining nine months closing price of SMEs IPOs ascertains that the SMEs those having high capacity to fulfill its long term debt obligation can expect better valuation for the equity securities listed on SMEs stocks exchanges. The variable Return on Capital Employed which is related to key-financials also influences the nine months closing price of SMEs IPOs directly states that the investors would do valuation on higher side of those SMEs stocks having higher SME firm's returns on invested capital.

One year price of SMEs public offerings: From the table 5, this has been observed that the variables Stock Exchange, Issue Type, Offer Price, Listing Day Closing Price, Private, Standalone, IB Positive Listings, IB Total Listings, Interest Cover Ratio and Return on Capital Employed significantly affect the one year price of SMEs IPOs at maximum of 10% significance level. The variables Stock Exchange, Issue Type, Offer Price, Listing Day Closing Price, Private, Standalone, IB Positive Listings and IB Total Listings belong to non-financial disclosures on the other side the variables Interest Cover Ratio and Return on Capital Employed belong to key-financials. Stock exchange variable is a dummy variable that indicates that the secondary market investors of SMEs stocks prefer to trade SMEs IPOs at higher price even after one year from the listing day at SME platform of BSE named as BSE SME as compared to SME platform on NSE called as NSE EMERGE. Issue Type variable is a dummy variable indicates that the secondary market investors of SME stocks give more valuation to book building SMEs public issues as compared to fixed price public issues even after one year from the day of listing of SMEs IPOs. The variable Offer Price contributes oppositely in determining one year closing price of SME IPOs that means SMEs IPOs issued with more premium price from the face value brings the valuation of one year closing price of SME IPOs on the lower side. The variable Listing Day Closing Price contributes directly in determining one year closing price of SME IPOs means that SME IPO closed with high price on the listing day from the issue price brings the one year closing price of SME IPOs on higher side. The variables Private and Standalone are the dummy variables infer that secondary market investors of SME stocks are bullish for SME companies having affiliation with other foreign group companies as compared to SME companies having no affiliation or private group affiliation even after one year from the day of listing. The variable IB Total Listings reveals the role of investment banker in one year closing price of SMEs IPOs which indicates that number of number of IPOs handled by investment banker during the time period prior to the SME IPO affects positively one year closing price of SME IPOs on the SME stock exchange so the more the number of IPOs handled by investment banker, the investors may be bullish for SME stock. The variable IB Positive Listings disseminate the role of investment banker in price valuation of SMEs IPOs after one year from the listing signify that number of IPOs handled by investment banker in which IPO is underpriced or provided positive return to the investor during the time period prior to the SME IPO affects inversely the price valuation of SME IPOs so the more the number of IPOs provided positive returns handled by investment banker lower would be the price of IPOs on stock exchange. The key-financial Interest Cover Ratio has positive coefficient in determining one year closing price of SMEs IPOs ascertains that the SMEs those having high capacity to fulfill its long term debt obligation can expect better valuation for the equity securities listed on SMEs stocks exchanges. The variable Return on

Capital Employed which is related to key-financials also influences the one year closing price of SMEs IPOs directly states that the investors would do valuation on higher side of those SMEs stocks having higher SME firm's returns on invested capital.

From the discussion of above points related to the valuations of SME IPOs post listing price derives that key-financials and non-financial disclosures may be used to assess the value of post listing closing prices of SMEs public offerings up to great and significant extent for upcoming SME IPOs. These non-financial disclosures and key-financials would be mainly used to do the valuations of SMEs IPOs post listing prices after one month, three months, six months, nine months and one year which would be helpful in better decision making and valuations for SMEs stock investors in the secondary market. As the time gap from the listing day increase the determination capacity of valuation models for post listing prices come down this concludes that in the long run updated key-financials and non-financial disclosures information might be useful for better determination of post listing share prices for SMEs stock which have already listed for more than nine months on SME stock exchanges.

Author's Contribution

Dr. Babli Dhiman conceived the idea and developed qualitative and quantitative designs to undertake the empirical study. Mr. Vishal Goyal extracted research papers with high repute and filtered these based on the title selected and identified the research gap. The concepts were developed relevant to the study design. The quantitative computations and statistical outputs were formatted by the corresponding author Mr. Vishal Goyal using SPSS, who also wrote the manuscript. Dr. Babli Dhiman verified the analytical methods and supervised the study.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest or non-financial interest in the subject matter or materials discussed in this manuscript.

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Appendices

Table 1: Output of regression between One month price of SME IPOs and key financials as well as non-financial disclosures

Dependent Variable	Adj. R Square	ANOVA F	ANOVA Sig.	Name of Independent Variable	Label for Independent Variable	Type of Disclosure	Unstandardized Beta Coefficients	Standardized Beta Coefficients	t value	Sig. Value
1M IPO Price	0.93	232.47	0.000	(Constant)	(Constant)	-	15.204		1.665	0.097
				Retail Subscription	Subs_R	Non Financial	0.107	0.029	1.955	0.051
				Stock Exchange	ST_EX	Non Financial	-3.593	-0.024	-1.634	0.103
				Issue Type	Iss_TY	Non Financial	-6.939	-0.03	-1.941	0.053
				Shares Allotted to Non Retail	Allot_NR	Non Financial	-0.000002618	-0.037	-1.732	0.084
				Non Retail Investors %age	NR_%Allot	Non Financial	0.188	0.061	2.807	0.005
				Listing Day Closing Price	Lis_Cbkg	Non Financial	0.98	0.94	58.011	0
				Type of Affiliation	Private	Non Financial	-20.361	-0.128	-3.041	0.003
					Standalone	Non Financial	-2.14E+01	-0.131	-3.05	0.002
				No of Group entites	No_Grp	Non Financial	2.39E-01	0.015	0.92	0.358
				Prior Market Returns	Pr_Mkt_Rtrm	Non Financial	-2.63E-01	-0.031	-1.936	0.054
				Prior Initial Returns	Pr_Ini_Rtrm	Non Financial	0.126	0.014	0.899	0.369
				IB Total Listings	IB_Tot	Non Financial	0.047	0.015	0.914	0.361
				IB Success Rate	IB_Rate	Non Financial	0.073	0.021	1.344	0.18
				Listing Delay	Lis_Dly	Non Financial	-0.057	-0.034	-2.323	0.021
				Firm Age	Age	Non Financial	0.207	0.024	1.656	0.099
				Debt-Equity Ratio	D/E	Key Financial	-0.48	-0.019	-1.081	0.28
				Fixed Assets Turnover	FA_Turn	Key Financial	0.003	0.028	1.907	0.057
				Debtors Turnover	Deb_Turn	Key Financial	-0.02	-0.036	-2.446	0.015
				Interest Cover Ratio	Int_Cov	Key Financial	0.042	0.017	1.158	0.248
Return on Net Worth	RONW	Key Financial	0.041	0.023	1.26	0.209				

Table 2: Output of regression between Three months price of SME IPOs and key financials as well as non-financial disclosures

Dependent Variable	Adj. R Square	ANOVA F	ANOVA Sig.	Name of Independent Variable	Label for Independent Variable	Type of Disclosure	Unstandardized Beta Coefficients	Standardized Beta Coefficients	t value	Sig. Value
3M IPO Price	0.82	114.872	0.000	(Constant)	(Constant)	-	44.464		3.176	0.002
				Overall Subscription	Subs_O	Non Financial	-0.146	-0.044	-1.85	0.065
				Stock Exchange	ST_EX	Non Financial	-6.568	-0.035	-1.51	0.133
				Offer Price	OP	Non Financial	-1.166	-0.886	-4.72	0
				Listing Day Closing Price	Lis_Clsg	Non Financial	2.144	1.657	8.831	0
				Type of Affiliation	Private	Non Financial	-59.859	-0.303	-4.51	0
					Standalone	Non Financial	-67.965	-0.335	-4.98	0
				IB Total Listings	IB_Tot	Non Financial	0.166	0.043	1.867	0.063
				Listing Delay	Lis_Dly	Non Financial	-1.00E-01	-0.048	-2.04	0.042
				Firm Age	Age	Non Financial	6.06E-01	0.058	2.47	0.014
				Debt-Equity Ratio	D/E	Key Financial	1.17E+00	0.038	0.83	0.407
				Long Term Debt-Equity Ratio	L_D/E	Key Financial	-2.926	-0.052	-1.16	0.248
				Fixed Assets Turnover	FA_Turn	Key Financial	0.043	0.298	12.96	0
				Debtors Turnover	Deb_Turn	Key Financial	-0.02	-0.028	-1.24	0.217
Return on Capital Employed	ROCE	Key Financial	0.522	0.136	5.401	0				

Table 3: Output of regression between Six months price of SME IPOs and key financials as well as non-financial disclosures

Dependent Variable	Adj. R Square	ANOVA F	ANOVA Sig.	Name of Independent Variable	Label for Independent Variable	Type of Disclosure	Unstandardized Beta Coefficients	Standardized Beta Coefficients	t value	Sig. Value
6M IPO Price	0.416	17.636	0.000	(Constant)	(Constant)	-	341.803		4.882	0
				Overall Subscription	Subs_O	Non Financial	-0.478	-0.068	-1.589	0.113
				Stock Exchange	ST_EX	Non Financial	-30.323	-0.077	-1.814	0.071
				Issue Type	Iss_TY	Non Financial	-57.027	-0.095	-2.097	0.037
				Shares Allotted to Non Retail	Allot_NR	Non Financial	-1.53E-05	-0.083	-1.349	0.178
				Non Retail Investors %age	NR_%Allot	Non Financial	0.581	0.072	1.176	0.24
				Offer Price	OP	Non Financial	-5.231	-1.879	-5.482	0
				Listing Day Closing Price	Lis_Clsg	Non Financial	6.042	2.206	6.412	0
				Type of Affiliation	Private	Non Financial	-313.256	-0.749	-6.191	0
					Standalone	Non Financial	-338.584	-0.789	-6.467	0
				Prior Market Volatility	Pr_Mkt_Vlty	Non Financial	22.298	0.044	1.045	0.297
				IB Total Listings	IB_Tot	Non Financial	0.448	0.055	1.189	0.235
				IB Success Rate	IB_Rate	Non Financial	-0.402	-0.044	-0.988	0.324
				Fixed Assets Turnover	FA_Turn	Key Financial	0.059	0.192	4.599	0
				Interest Cover Ratio	Int_Cov	Key Financial	0.503	0.079	1.848	0.065
				Return on Capital Employed	ROCE	Key Financial	1.725	0.212	4.643	0

Table 4: Output of regression between Nine months price of SME IPOs and key financials as well as non-financial disclosures

Dependent Variable	Adj. R Square	ANOVA F	ANOVA Sig.	Name of Independent Variable	Label for Independent Variable	Type of Disclosure	Unstandardized Beta Coefficients	Standardized Beta Coefficients	t value	Sig. Value
9M IPO Price	0.263	11.413	0.000	(Constant)	(Constant)	-	1085.53		5.405	0
				Overall Subscription	Subs_O	Non Financial	-1.348	-0.067	-1.383	0.167
				Stock Exchange	ST_EX	Non Financial	-98.34	-0.087	-1.819	0.07
				Issue Type	Iss_TY	Non Financial	-219.416	-0.127	-2.511	0.013
				Offer Price	OP	Non Financial	-16.049	-2	-5.238	0
				Listing Day Closing Price	Lis_Clsg	Non Financial	16.553	2.097	5.489	0
				Type of Affiliation	Private	Non Financial	-1056.27	-0.876	-6.459	0
					Standalone	Non Financial	-1118.208	-0.904	-6.652	0
				Prior Market Volatility	Pr_Mkt_Vlty	Non Financial	73.376	0.05	1.071	0.285
				IB Positive Listings	IB_Pos	Non Financial	-20.878	-0.828	-2.116	0.035
				IB Total Listings	IB_Tot	Non Financial	19.877	0.85	2.195	0.029
				Interest Cover Ratio	Int_Cov	Key Financial	1.624	0.089	1.844	0.066
				Return on Capital Employed	ROCE	Key Financial	5.046	0.215	4.268	0

Table 5: Output of regression between One year price of SME IPOs and key financials as well as non-financial disclosures

Dependent Variable	Adj. R Square	ANOVA F	ANOVA Sig.	Name of Independent Variable	Label for Independent Variable	Type of Disclosure	Unstandardized Beta Coefficients	Standardized Beta Coefficients	t value	Sig. Value
12M IPO Price	0.268	10.866	0.000	(Constant)	(Constant)	-	936.509		5.184	0
				Overall Subscription	Subs_O	Non Financial	-1.129	-0.07	-1.45	0.148
				Stock Exchange	ST_EX	Non Financial	-76.718	-0.085	-1.771	0.077
				Issue Type	Iss_TY	Non Financial	-172.122	-0.124	-2.465	0.014
				Offer Price	OP	Non Financial	-12.792	-1.989	-5.224	0
				Listing Day Closing Price	Lis_Clsg	Non Financial	13.449	2.125	5.577	0
				Independent Directors	Ind_Dir	Non Financial	-28.431	-0.046	-0.978	0.329
				Type of Affiliation	Private	Non Financial	-840.839	-0.87	-6.434	0
					Standalone	Non Financial	-885.209	-0.893	-6.591	0
				Prior Market Volatility	Pr_Mkt_Vlty	Non Financial	55.795	0.047	1.016	0.31
				IB Positive Listings	IB_Pos	Non Financial	-16.285	-0.805	-2.063	0.04
				IB Total Listings	IB_Tot	Non Financial	15.486	0.826	2.137	0.033
				Interest Cover Ratio	Int_Cov	Key Financial	1.332	0.091	1.886	0.06
				Return on Capital Employed	ROCE	Key Financial	3.845	0.205	4.064	0