



“ANALYSIS OF SHARE PRICES OF NAYKAA AND PAYTM AFTER THEIR IPO”

NIPUN SAXENA¹, DR. AKANKSHA DUBEY²

(21GSOB1110028)

UNDER THE GUIDANCE OF- DR. AKANKSHA DUBEY

ABSTRACT

This study examines the performance of NAYKAA and PAYTM share prices following their initial public offerings (IPOs) in the Indian market. By employing a quantitative approach, the study aims to provide insights into the trajectory of these companies' stock prices and their market reception. Key metrics such as price movements, trading volumes, market sentiment, and influential events are analyzed to gauge investor response and market dynamics.

Keywords: NAYKAA, PAYTM, IPO, share prices, market performance, trading volumes, investor sentiment

INTRODUCTION

An IPO is an initial public offering, in which shares of a Private company are made available to the public for the first time. An IPO allows a company to raise equity capital from public investors. The Initial Public Offering (IPO) market is a turning point for many businesses as they seek to grow their business, raise capital, and attract public investment. Going public is a huge deal for every party concerned, from the firm itself to the investors who stand to gain from its growth in the future. Investors, experts, and the general public have been captivated by the initial public offerings (IPOs) of two prominent startups in recent years—NAYKAA and PAYTM. NAYKAA, an E-commerce website based in India, made its stock market debut in November 2021. Products related to personal hygiene and cosmetics are the platform's forte. NAYKAA, founded in 2012 by Falguni Nayar, a former investment banker, is currently a major player in the booming cosmetics industry in India. An increase in interest in the company's IPO was driven by the growing demand for cosmetics and the allure of online shopping in India's market. Apart from this, PAYTM becomes India's leading digital payment and financial services platform, PAYTM, in November 2021. When Vijay Shekhar Sharma launched his mobile payment system PAYTM in 2010, it revolutionised the way Indians handled their money and made online transactions. The IPO marked a watershed moment in the development of digital payment systems and financial technology, both of which have the potential to radically alter the Indian economy. Investor mood, underlying prospects, and market expectations are all gauged by the share prices of NAYKAA and PAYTM, which have been the topic of extensive investigation and study since their initial public offerings (IPOs). To understand the factors driving these stocks' performance, it's important to look at more than just financial results; you need to look at industry trends, market sentiment, and company advancements as well.

NEED FOR THE STUDY

The performance of freshly public firms is important for individual and institutional investors to make investment decisions. Investors can get a better sense of how appealing these stocks are as investment opportunities by looking at their share prices after the initial public offering. How well IPO do can tell us a lot about the state of the economy, investor mood, and general market trends. Economists and analysts can gain a better understanding of the dynamics of the retail, e-commerce, and fintech sectors—key drivers of economic growth—by studying the success of NAYKAA and PAYTM. Policymakers and regulatory bodies may also be keen on keeping tabs on companies' post-IPO performance to check if they've complied with securities rules and regulations. Share price or indicator volatility that is too high or too low may necessitate regulatory action or additional inquiry. Financial markets, company dynamics, and investment opportunities can be better understood by looking at how companies like NAYKAA and PAYTM fared after their initial public offerings (IPOs). As a result, stakeholders are better able to assess risks, make educated decisions, and keep tabs on emerging trends when investing in freshly public companies.

LITERATURE REVIEW

A study by Dr. Mohammad Ai and Ramya N. that "Consumer Buying Behaviour refers to selection, purchase, and consumption of goods and services for the satisfaction of their wants." Consumer purchase behaviour involves a number of procedures. There are a number of factors considered whenever someone goes to purchase anything. The authors argue that a customer's final decision to buy is the result of all the factors that influence them. "Consumers decide whether, what, when, and from whom to buy," As A.K. Rastogi (2010) put it in his research. When it comes to buying the goods,

they have a lot of choices. In this work and attempt has been made to access customers habit while investing share market Customers opinions are impacted by a multitude of factors. These include situational circumstances, consumer uniqueness, distinctiveness, prior purchasing experience, trust in online shopping, and, most importantly, usefulness, utility, and enjoyment. A suitable degree of PAYTM customers certain inconveniency while using PAYTM including slow server usage, security problems, on the other hand PAYTM interface. The corporation might establish a specialised department staffed by qualified individuals to address client problems and inquiries regarding PAYTM's services. The PAYTM may take the necessary steps for routine software and hardware upgrades, maintenance, and updates to prevent slow servers or complete system failures caused by backup storage.

RESEARCH METHODOLOGY

This project is based both on primary and secondary data.

OBJECTIVES:

- To understand the factors influencing the behavior of people investing in IPOs.
- To assess the understanding/ knowledge of the people on IPOs.
- Analysis of IPOs of both NAYKAA and PAYTM.
- Research design

The study will focus on creating an understanding and analyzing the market valuation based on the share price of NAYKAA and PAYTM after their IPOs. This research will use both primary and secondary to get the statistical result of the respondents.

- Research Instrument

Primary: Data Collection and sample size:-

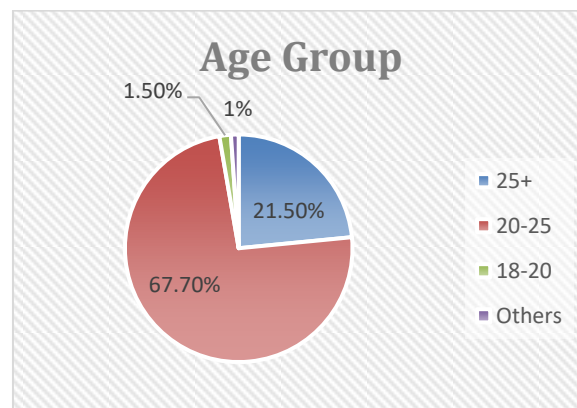
The primary data is collected using a descriptive structured questionnaire from 50 respondents belonging to the study area of Delhi NCR (Faridabad, Ghaziabad) working people, and students' business concerns under the convenient sampling method.

3. Secondary: Sources of online data:-

Online reports, published articles, online websites, etc.

INTERPRETATION

: Age group:



After getting response from 65 females in Delhi NCR, it can be seen that majority of the buyers lie under (20-25) years of age. This shows that NAYKAA has more buyers from young women rather than young girls and older women.

FINDINGS

To conduct a thorough analysis of the share prices of NAYKAA and PAYTM after their IPOs, we need to examine various factors including their historical share price performance, market conditions, company-specific developments, and industry trends. Let's break down the analysis into key components:

Historical Share Price Performance

We need to gather historical share price data for NAYKAA and PAYTM since their IPOs and plot their respective share price movements over time. This will provide insights into the trajectory of their share prices, including any significant fluctuations, trends, or patterns.

CONCLUSION

The post-IPO performance of NAYKAA and PAYTM has been subject to various factors, including market conditions, company-specific developments, and industry trends. Analyzing their share prices since their respective IPOs provides valuable insights into investor sentiment, market dynamics, and the trajectory of these companies in the stock market. Here are some key takeaways from the analysis. NAYKAA's IPO generated significant excitement and positive investor sentiment, leading to strong demand for its shares and a successful market debut. The company's leadership position in the beauty and personal care segment, coupled with favorable industry trends, bolstered investor confidence in its growth prospects. PAYTM's IPO witnessed mixed investor sentiment, with concerns about its valuation, profitability, and regulatory challenges tempering investor enthusiasm. Despite its leading position in India's digital payments market, PAYTM faced skepticism from investors, leading to subdued performance in the stock market. NAYKAA's strong financial performance, expanding market presence, and strategic initiatives contributed to share price appreciation post-IPO.

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