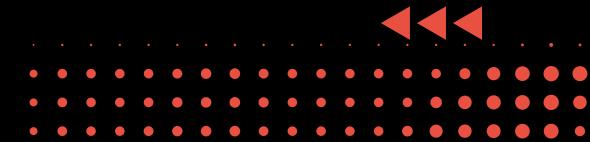




Chapter 1: Introduction to IPO

- IPO stands for Initial Public Offering.
- When a company sells its shares to the public for the first time, it is called an IPO.
- Through an IPO, companies raise funds for business growth, and investors get the chance to own a part of the company.
- Simply put, an IPO is a gateway for retail investors to invest in a private company.











- 1. To raise funds for business expansion
- 2. To repay debts
- 3. To increase brand value and visibility
- 4. To provide an exit option to early investors







Chapter 3: What is GMP (Grey Market Premium)?



Before listing, IPO shares are sometimes traded in an **unofficial market**, known as the Grey Market.

The extra price at which these shares are traded is called the **Grey Market Premium (GMP).**

Example:

Issue Price = ₹200

GMP = ₹50

Expected Listing Price = ₹200 + ₹50 =

₹250

Remember: GMP is only a sentiment indicator, not a guaranteed listing price.



Chapter 4: How to Apply for an IPO?



There are 2 common ways to apply:

1. **UPI via Broker Apps** (Zerodha, Groww, Paytm Money, etc.)

2. ASBA via Net Banking (SBI, ICICI, HDFC, etc.)

Steps (UPI method):

Open your broker app and select the IPO

Choose lot size and enter bid price

Enter your UPI ID and submit

Approve the mandate on your UPI app





Chapter 5: IPO Allotment Process

If the IPO is oversubscribed, allotment happens through a **lottery** system.

A retail investor may get at least 1 lot if selected.

If not allotted, the blocked money is automatically refunded.







Chapter 6: Risks in IPO Investment

V V

On listing day, IPOs can open at a loss if demand is low.

GMP only shows sentiment, market conditions can change quickly.

Not every IPO is profitable.

For long-term investing, always check **company fundamentals**.







Chapter 7: IPO Checklist (Do's & Don'ts)

✓ Do's:

Research the company's financials

Track GMP and demand before applying

Have a long-term view

X Don'ts:

Don't apply based only on rumors

Don't take loans to invest in IPOs

Don't put all your money in one IPO





Chapter 8: Conclusion + Website Link

IPOs are an exciting investment option, but they always come with risk.

A smart investor always researches before investing.

For the latest IPO updates, GMP trends, and analysis, visit:

Remo singh Your Trusted IPO Updates Partner







