

● EQUITY MARKETS · INITIAL PUBLIC OFFERINGS

your first *ipo*, without the guesswork.

An initial public offering lets you buy shares of a company as it lists. Applying is simple; applying **well** is a habit. This is the mechanics — how the application works, how shares are allotted, and which signals to trust and which to ignore.

HOW THE APPLICATION WORKS

ASBA & UPI

- 1 Your money is blocked, not paid**
Under ASBA, the amount is only blocked in your bank account, and debited only if shares are allotted.
- 2 Retail applies through a UPI mandate**
Apply via your broker or bank; approve the UPI mandate request on your phone to block the funds.
> approve before 5:00 PM on closing day — a minute late is rejected
- 3 Blocked funds still earn interest**
The amount keeps earning in your account until shares are allotted or the block is released.

BEFORE YOU APPLY

KEEP THESE READY

- A **Demat and trading account**, and the PAN linked to it.
- Your **UPI ID** on an app that supports IPO mandates (most do).
- The **lot size and price band** — your minimum is one lot at the issue price.
- Ten minutes with the **RHP** — the risk factors and the use of funds.

oversubscribed? it's a lottery. When retail demand exceeds the shares on offer, allotment is by computerised lottery, and every applicant has the **same chance of one lot** — whether they applied for one lot or thirteen. Bidding for more does not raise your odds in a mainboard issue; it only blocks more of your money. Apply for the number you would be content to hold if the stock fell on listing.

KNOW WHAT YOU'RE BUYING

MAINBOARD VS SME

THE USUAL START

mainboard

Lists on the NSE/BSE, larger companies, deeper disclosure. The retail cap is ₹2,00,000 per application, with roughly 35% reserved for retail.

HIGHER RISK

sme

Lists on the SME platform, smaller and thinly traded, with a far larger minimum ticket. Treat it as a step up in risk, not a shortcut.

READ BEFORE YOU BID

and ignore the *noise*.**gmp is a rumour**

Grey Market Premium is unofficial and unregulated — a reading of sentiment, **not a price** you can rely on.

the rhp, not the hype

The risk factors and use of funds tell you most of what you need. Ten minutes is enough.

a volatile first week

A newly listed share can swing sharply. Decide your view **before** listing day.

a bonus, not a plan

Treat a listing gain as a bonus. An IPO is not a substitute for a long-term portfolio.

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