Welcome students. In this session, I'm going to cover unit 2. That is Primary Market. And the module name is types of public issues. That is IPO, FPO, Private Placement, and Offer for Sale. This is model number 12. Outline of the module is IPO, FPO, private placement, and offer for sale. Learning outcome of this module is. students will be able to understand the different types of issues in primary market, and they will also be able to describe the concept of IPO, FPO. Private placement, and offer for sale. There are different types of public issues. First, I will explain the meaning of IPO. Initial public offering or IPO is the process by which new or

existing companies issue securities

to the public for the first time.

New issue of securities to the public

in the primary market is termed as IPO.

It is a very significant stage in

the growth of many businesses as it

provides access to the public capital.

It can be risky to investors also

since they don't have any track

record of the company in the public

domain to analyze before investing their money.

Next type of public issue is

Follow on Public Offer.

Or FPO

When an existing and already

listed company makes an issue of

additional securities to the public,

it is termed as Follow on Public

Offer or Further Public Offer.

Companies go for FPO during

expansion and growth stage for

diversifying its equity base,

especially when the company

wants more capital to be raised.

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It is less risky as compared to

IPOs as the investors can study

the past performance of the

company before investing

into the market.

Investors can look at market trends

and track their potential investment

before taking investment decisions.

The next type of issue is Private Placement.

It refers to the sale of securities to

pre selected investors and institutions.

The company will offer the securities to

the investors which they will choose from.

Investors may include wealthy individual

investors or mutual fund investors.

or banks, insurance companies,

pension funds etc.

The issuer can either be a public limited company or a private limited company.

Investors should evaluate the risk before investing in the company.

In the case of private placement.

There is no minimum amount an

Next type of public issue is Offer for Sale.

or OFS.

Offer for Sale is a method of sale of shares.

through the exchange platform.

investor should subscribe to.

For this, Anyone, including retail investors,

companies, foreign institutional investors,

and qualified institutional

buyers can bid on these shares.

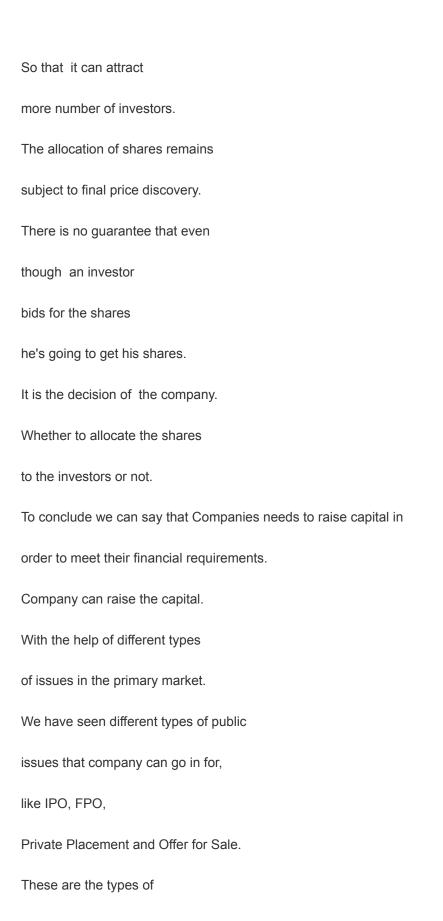
Company sets the floor price of the

shares and buyers have to provide a bid

which can't be below the floor price.

The floor price is generally set at

a discount to the prevailing price.



issues where investors can opt for.
Without the help and support
of the investors,
Companies cannot raise the capital from the market.
So this is one of the best way to
procure the capital from the market.
These are my references.
Thank you.