

✓ Retail Investors - 35%

✓ QIBs - 50%. IPO, FPO, OFS

✓ NIIs Private Placement, QIP

↓ Non Inst. Investors

15%

Rights
Issue

∫

Euro Issues

Issues of capital

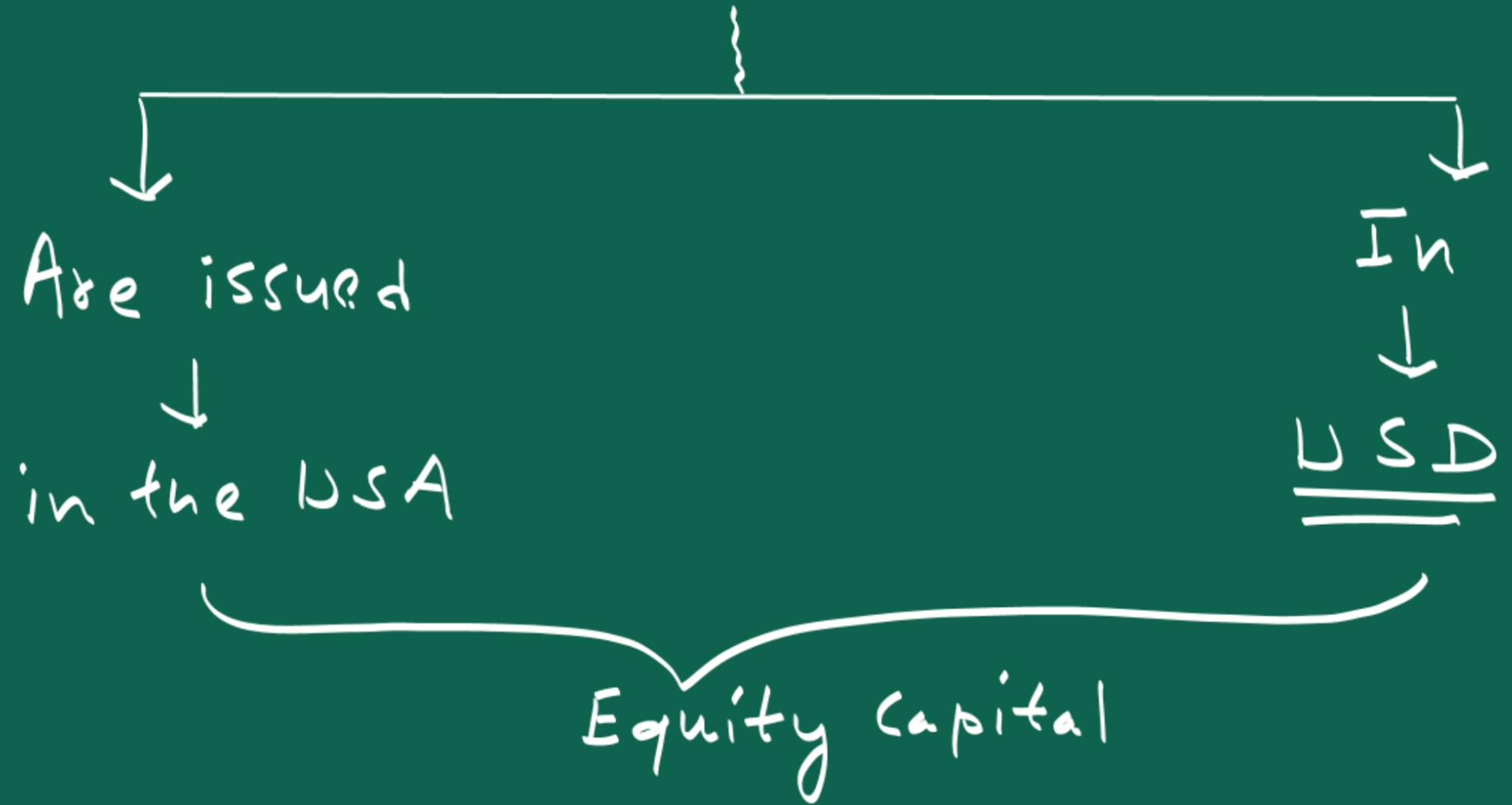
To be launched
in
foreign countries

To be launched
in
foreign currencies

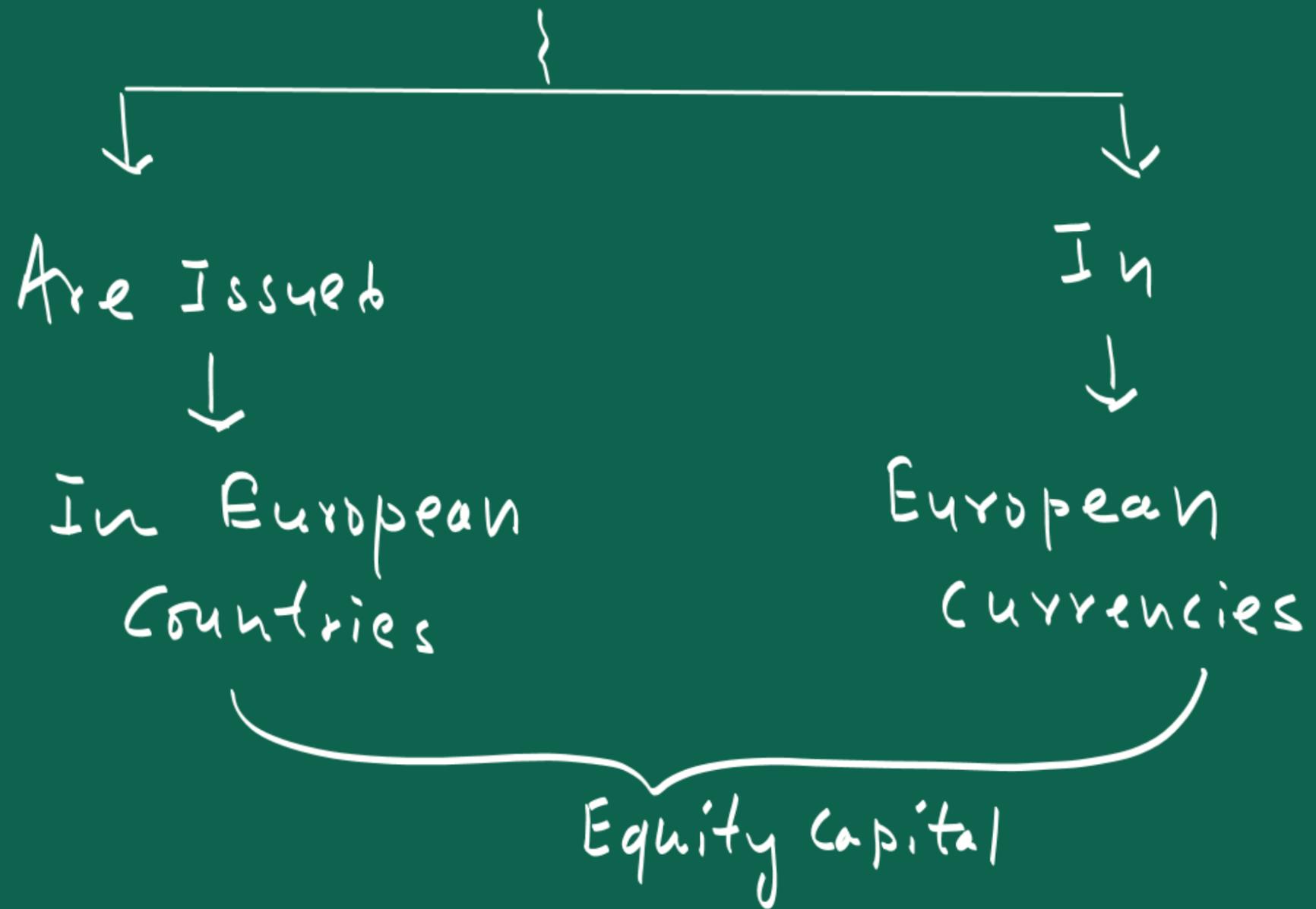
Examples (of Indian companies)



(i) A DRs = American Depository Receipts



(ii) GDRs = Global Depository Receipts

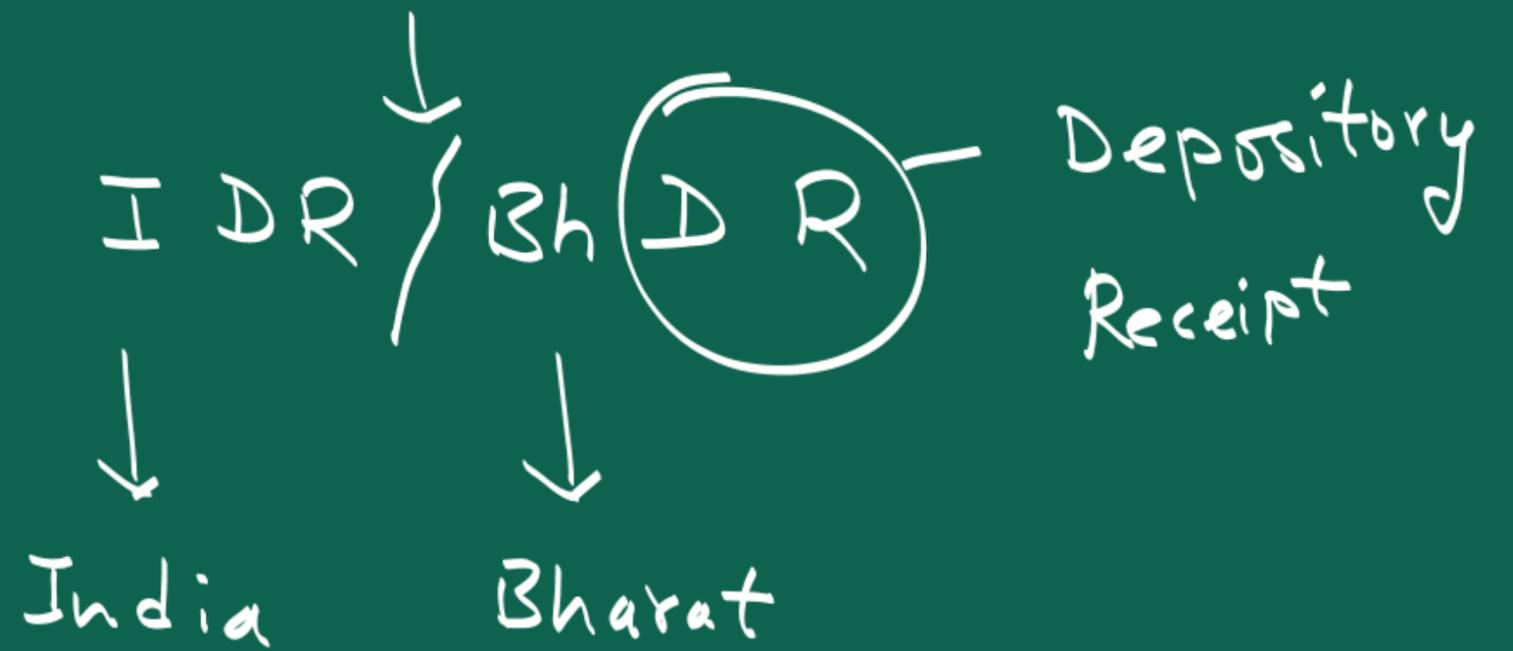


(iii) FCCBs = Foreign Currency
Convertible Bonds



Note - These bonds give an option of conversion into equity to the investors.

Euro Issues by Foreign Companies in India



Demat



a process through which



physical existence of equities etc.
is removed &

They are kept/maintained
in electronic forms.

Depository



Institute responsible for the activity of demat.

Note - There are two depositories working for the demat of equities in India



(i) NSDL

(ii) CDSL

Speculation



An activity through which people want to make profits from price fluctuations of equities etc. taking place in future.

Speculators



People doing speculation



Bulls



expect increase
in the price in
future.



will buy an
equity etc.



Bears



expect decrease
in the price in
future.



will sell an
equity etc.

Note !

In any market both bulls & bears work together but sometimes they overpower each other.



(i) Bulls overpower bears



Market will rise



Bullish Market

(ii) Bears overpower bulls

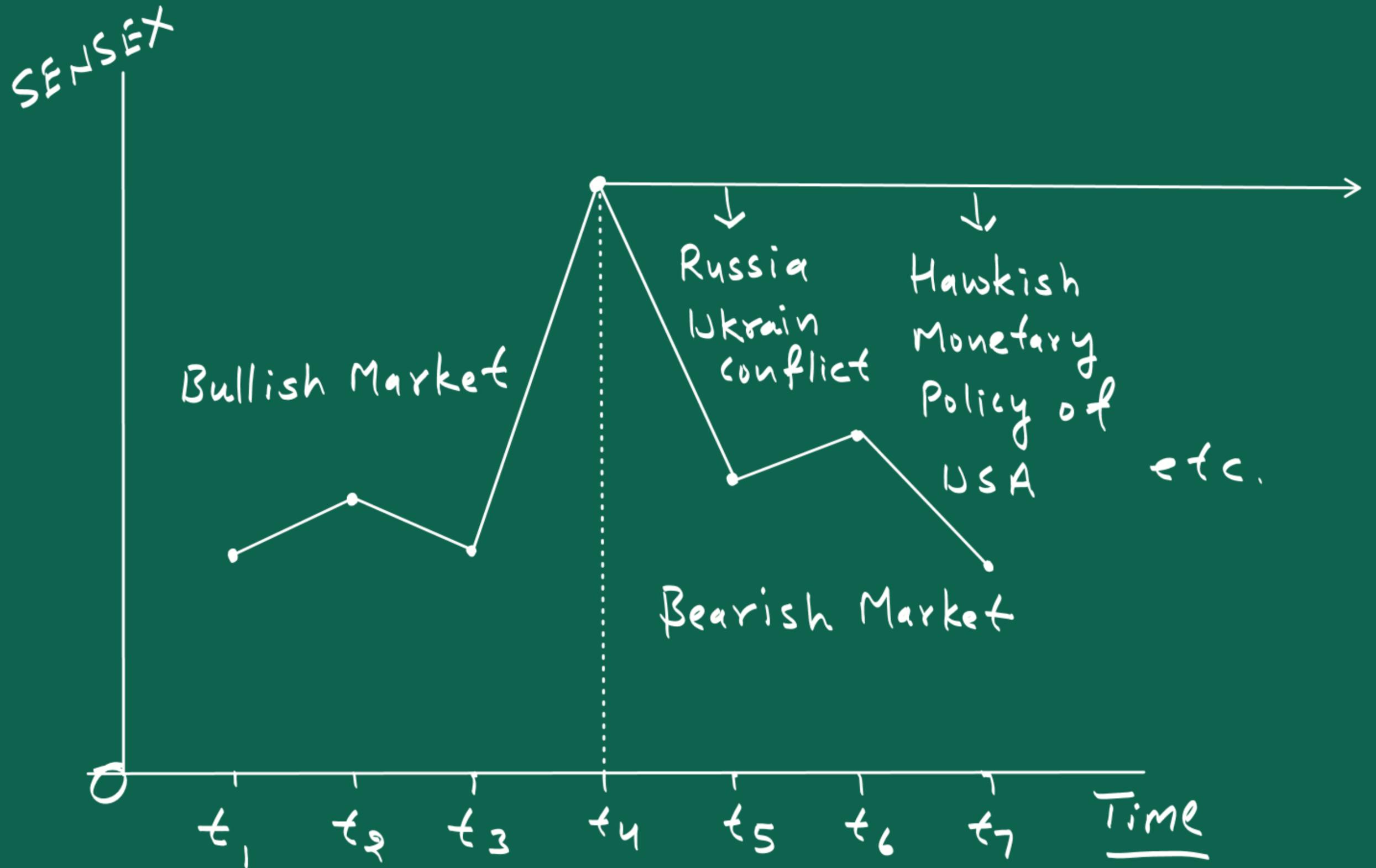


Market will fall



Bearish Market

Diagram -



Arbitrage



An activity of taking advantage of price differences prevailing in two markets.



Market - A



Yes Bank
Share price



₹ 20

↓
Buy

Market - B



Yes Bank
Share price



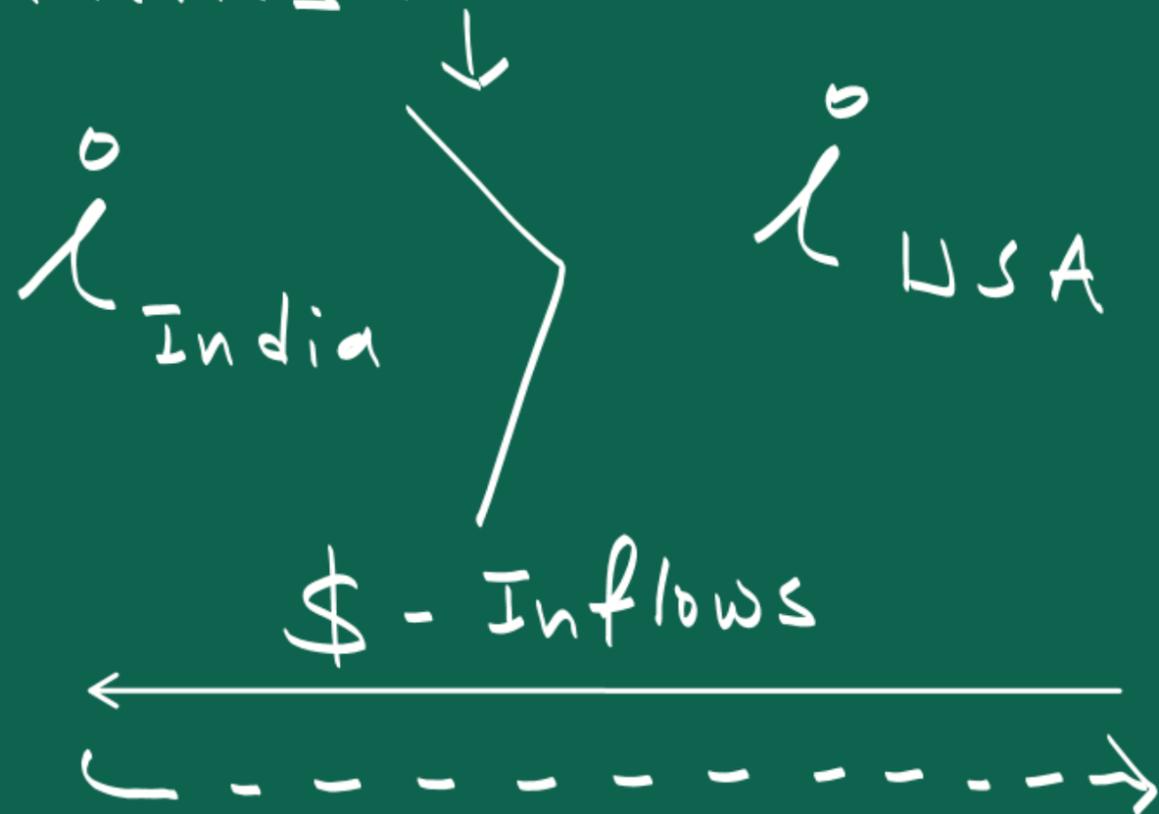
₹ 22

↓
Sell

Interest Rate Arbitrage



Investors take advantage of interest-rate differences between two countries.



Demat A/c



(i) WIPRO	————	100
(ii) RIL	—	50
(iii) Pfizer	—	10

}

Trading A/c



Bank A/c