Project: an IPO filing profile from one RHP

Name: Class: Date:

You will build a profile of one IPO from its red herring prospectus. Every number you use needs its document and page.

Ground rule: In this lesson there is no winner. We explain differences; we don't rank companies or say which is better to own.

What to do

1. Choose one red herring prospectus from your teacher's list and download it.
2. Part B: find the fresh issue and the offer for sale, and who receives each.
3. Part C: copy each use of the money in the Objects of the Issue, with its amount and page, and sort it by kind.
4. Part D: copy the promoters' holding before the issue, the lock-in and the monitoring agency's name.
5. Part E: if the company has listed, read its first results and one monitoring agency report.
6. Leave out every price. Explain each part in your own words, then add one thing the profile cannot show.

Part A. Your RHP

1. Company name, RHP date and where it was filed:

2. The last date the RHP's figures cover:

3. Pages of the Offer, the Objects of the Issue and Capital Structure:

Part B. The offer

1. Fresh issue (amount or number of shares) and page:

2. Offer for sale (amount or number of shares), who sells, and page:

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3. Who receives the money from each part?

Part C. Objects of the Issue

Kinds: fixed assets, repaying loans, running costs, acquisitions, general corporate purposes. Share = amount ÷ fresh issue × 100.

1. Use of the money | Amount | Kind | Share of the fresh issue | Page

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Part D. Promoters, lock-in and monitoring

1. Promoters' holding before the issue, and page:

2. The lock-in the RHP describes for the promoters' shares, and page:

3. The monitoring agency named in the RHP, and page:

Part E. After listing

If the company has not listed, write which two reports it would file after listing, and by when.

1. Listing date, and the date of the first results after listing. How many days apart?

2. One monitoring agency report: quarter, date filed, money used against the plan, and what it says about deviation.

Part F. Number log and limits

1. Number log: every number you used | document | page

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2. One thing your profile cannot show:

3. Partner check: which three numbers did your partner check, and did they match?

Word bank

Red herring prospectus (RHP)	The near-final offer document, filed with the Registrar of Companies before the IPO opens.
Fresh issue	New shares the company sells. The money goes to the company.
Offer for sale	Existing shareholders sell some of their shares. The money goes to them, not the company.
Objects of the Issue	The chapter that says what the company will do with the fresh-issue money.
General corporate purposes	Money the company may use for its ordinary needs, without naming each use in advance.
Lock-in	A set time after the IPO during which certain shares cannot be sold.
Monitoring agency	A credit rating agency registered with SEBI that reports every quarter on how the IPO money is used.

Sentence starters

- In its RHP dated ___, ___ offers new shares worth ___ and existing shareholders sell ___.
- The largest use of the money is ___ (___, page ___), which is a kind of ___.
- The promoters held ___ before the issue; the RHP says their shares are locked in for ___.
- My profile cannot show ___.

student page

Scan the code or type: **cityfort.in/class/ipo-profile**

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