**What is the Stock Market?**

The **stock market** is a platform where investors buy and sell shares (stocks) of publicly traded companies. When you buy a share of a company, you’re buying a small ownership stake in that company.

* **Closing Price**

The **closing price** of a stock is the final price when the market closed for the day.

**Example**:  
 If a stock closed at ₹ 500 on Monday, ₹ 500 is the closing price for Monday.

* **Adjusted Closing Price**

**Adjusted closing price** is the final price of the stock at the end of the day, but it is changed for dividends or stock splits.

**Example:**

If a stock closes at ₹ 500 but gives a ₹ 10 dividend, the adjusted closing price would be ₹490 because the company gave ₹10 back to shareholders.

* **Adjusted Price**

**Adjusted price** is the stock price that has been changed to reflect events like dividends or stock splits.  
It helps show the real value of the stock after those events.

**How Does the Stock Market Work?**

1. **Companies Go Public**:  
   A private company sells shares to the public via an IPO (Initial Public Offering) to raise capital.
2. **Investors Trade Stocks**:  
   After IPO, stocks are listed on a stock exchange and can be bought and sold. The price of a stock is determined by supply and demand.
3. **Online Trading platform**:  
   We need an online trading platform to trade stocks.

**How stock market works in business in real life?**

**How Company Use the Stock Market -**

In real life, when a company needs money to grow—like building factories, launching products. They have two main options:

* Borrow money (loans)
* Raise money from investors by selling ownership in the company.

**In Stock Market Company Goes Public -**

* A private company decides to go public by listing on a stock exchange.
* It launches an IPO (Initial Public Offering) that selling shares to the public for the first time.
* Investors buy those shares and give the company cash in return.

**Example**:  
When Zomato launched its Initial Public Offering, it raised money from people who bought its shares.

**The stock price goes up or down based on**:

* Company’s performance (profit & growth)
* Market trends

**Investors Benefit -**

* Investors make money if the stock price goes up.
* Some companies also give dividends.
* Long-term investors look for good companies that will grow over time.