

Rights issue (RI):

1. What is a right Issue?

Issue of Shares to existing shareholders as on record date is called a Rights Issue. The rights are offered in a ratio to the number of shares or convertible securities held by the shareholder as on the record date.

2. Where will I get my application form for the Rights Issue?

Rights Issue application forms are sent to all such registered Shareholders, as on the record date announced by the Company. If a shareholder does not receive the application form, even after the issue open date, he can apply for a duplicate form with the Registrar to the issue or apply in a plain paper application format which is available on the Registrar's website.

NRI's application will not be posted to their foreign address. They can apply on a plain paper application and have to apply by providing an Indian address.

3. Can a POA holder apply on behalf of the Shareholder? What are the prerequisite?

POA should be a registered document with the DP in case of Dem at holding or should be registered with the RTA in case of physical holding. If new, then a notarized copy can be attached with the application form. Banks may not accept the supporting documents and in such cases, investor can send the same to the registrar to the issue, along with the acknowledgment copy of the CAF.

4. Where will I submit my form for the Rights Issue?

Rights Issue forms can be submitted to the participating collection Bankers at their branches, as mentioned in the application form or in cases where there are no collection banker branches, can submit the application form along with the cheque (only non- ASBA cases) at the Registrar's office.

Applicants can also apply through ASBA process. If your application is through ASBA then applicants need to submit your application to his/her concerned BANK in which applicants holds account.

5. Can I apply for additional shares in the rights issue apart from my entitlement?

Yes, applicants can apply for any number of additional shares but the allotment of the same will depend on shares available for apportionment and will also be in proportion to your holding, irrespective of additional shares applied by applicants.

6. Is ASBA compulsory for me? Can I submit my application through ASBA, even if my amount is less than Rs.2 lakhs?

Only Demat holders can apply through ASBA. If your holding is in physical then applicant cannot apply through ASBA.

For all Resident individuals, ASBA is compulsory if your application amount is over 2 lakhs. As a retail individual, if your application amount is less than Rs.2 lakhs, then applicants have an option to apply through ASBA or through Non-ASBA mode. But, if applicants are a corporate or an Institution then even if the application amount is less than 2 lakhs, the application is through ASBA only.

7. What is split request?

If shareholders decide not to apply in the rights issue against what is offered to them by the company but decide to give it to someone else or partly want to renounce your entitlement, then applicants apply for a split request by filling up PART "D" of the application form, duly signed by the registered shareholder, with the complete split details.

8. Is the last date of the split request is the last date for submission of forms?

Last date for split and last date of the issue closure are different and one need to make a note of the same.

9. Can I partly apply and partly renounce my entitlement, in the same application form?

No. If applicants want to do this, then first applicant need to apply for split forms, one for applying for yourself and one for renouncing and then apply.

10. What if the sole shareholder is deceased, can I apply on his/her behalf?

If the sole shareholder is deceased, such application cannot be renounced but legal heir can apply, attaching a copy of the death certificate. Allotment in such cases will be in the deceased name and the applicant then has to approach the Registrar to the company and have this transmitted by following the transmission process.

11. If NRI, can I apply in the Rights Issue?

NRI can apply in the Rights Issue on a plain paper format, available in the offer document but with by providing an Indian Address. If the folio has foreign address, registered then such shareholders (NRI's) will not be posted any application form nor offer document.

12. Will the share certificates will be issued to me, if I am holding shares in Physical Mode?

As per the recent directive by the Regulator, Shareholder holding physical shares will have to first convert their shareholding in demat mode and thereafter can participate in the Rights Issue. Please note that if any shareholder holding shares in physical mode submits the CAF without concerting their shareholding in demat, their entitlement (Allotted Rights Shares) will be kept in Escrow Account till they submit their valid demat account details.