National Stock Exchange of India

Circular

Department: LISTING	
Download Ref No: NSE/CML/ 2025/10	Date: March 12, 2025

To,
All Proposed to be Listed entities
All the registered Merchant Bankers

Sub: SEBI Circular on the Faster Rights Issue with a flexibility of allotment to specific investor(s)

This is with reference to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025, issued by the Securities and Exchange Board of India ('SEBI') titled "Faster Rights Issue with a flexibility of allotment to specific investor(s)." A copy of SEBI Circular dated March 11, 2025, is enclosed for your reference and for necessary action at your end. The copy of the circular is also available on the NSE website http://www.nseindia.com/

This is for your information please.

For and on behalf of
National Stock Exchange of India Limited

Srishti Soni
Manager

Encl:
1. SEBI Circular

भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 **March 11, 2025**

To,
Listed Entities
Recognized Stock Exchanges
Recognized Depositories
Registered Registrars to an Issue and Share Transfer Agents
Registered Bankers to an Issue
Self-Certified Syndicate Banks (SCSBs)
National Payments Corporation of India (NPCI)

Sir / Madam,

Sub: Faster Rights Issue with a flexibility of allotment to specific investor(s)

1. The new framework for Rights Issue process has been introduced vide notification of SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, with Gazette ID CG-DL-E-08032025-261516 published in the Official Gazette on March 08, 2025. The same is available at this link.

2. As part of the new framework, in terms of amended Regulation 85 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations), it is being specified that Rights Issues shall be completed within 23 working days from the date of Board of Directors of the Issuer approving the Rights Issue.

3. Accordingly, the revised timelines for completion of the various activities involved in Rights Issue process from the date of Board of Directors of the Issuer approving the Rights Issue till the date of closure of Rights Issue are placed at Annexure I.

4. If the Issuer is making a Rights Issue of convertible debt instruments, wherein shareholders' approval is required, then the timelines for Rights Issue would be adjusted accordingly owing to shareholders' approval as mentioned in Annexure I.

5. In terms of Regulation 87 of SEBI ICDR Regulations and in view of the revised timelines, it is being specified that Rights Issue shall be kept open for subscription for a minimum period of seven days and for a maximum period of thirty days.

System for Validation of Bids

6. Validation of application bids received for subscribing to the shares in Rights Issue and finalization of basis of allotment shall also be carried out by the Stock Exchanges and Depositories along with the Registrar to the issue.

7. A system for automated validation of applications by the investors shall be developed by the Stock Exchanges and Depositories within a period of six months from the date of applicability of this Circular.

Consequential changes in Master Circular No. SEBI/HO/CFD/PoD2/P/CI/2024/0155

8. In view of the new framework of Rights Issue, the following partial modification in the Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 on SEBI ICDR Regulations, dated November 11, 2024 shall be carried out:

8.1. Para 1.3.1 of Chapter 2 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under –

"*In the letter of offer the issuer shall disclose the process of credit of REs in the demat account and renunciation thereof.*"

8.2. Sub para (d) of para (A) of Annexure I of Chapter 2 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under-

"Applicants can use application form available on the website of registrar to the issue or printed forms sourced from the issuer or registrars to the issue."

8.3. Sub para (a) of para (E) of Annexure I of Chapter 2 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under-

"Correction of bid data as collated by the SCSB after issue closing shall be completed on the issue closure date itself."

8.4. Sub para 1.5 shall be inserted under Para 1 of Chapter 4 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154. The text of the same shall read as under-

"For rights issues the issuer shall file the letter of offer with SEBI through email at cfddil@sebi.gov.in and the payment of filing fees shall be made online through payment link provided on SEBI website under the fees category "Filing Fees".

8.5. Para 1 of Annexure IIIA of Chapter 4 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under-

"The draft offer document filed with the Board for public issue (hereinafter "draft offer document") of securities shall be scrutinized based on the broad guidelines specified as under and accordingly, the draft offer document shall be returned to the issuer and the Lead Manager(s) for resubmission in accordance with the following guidelines- "

8.6. Column under the head "Source of Information" of Table IV of Annexure VI of Chapter 8 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under-

"Issuer"

8.7. Column under the head "Timelines for submission" of Table IV of Annexure VI of Chapter 8 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under-

"Data from 1 to 14 shall be submitted by the issuer before grant of in principle approval by the Exchange(s)"

8.8. Para 5.6 of Chapter 9 of Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 shall read as under-

"ASBA facility in rights issue enables an investor / shareholder to apply through ASBA mode. ASBA process from the time of submission of application by the applicants till transfer of shares in the depository account of the investors, as specified for public issues, shall be followed in the case of rights issues also to the extent relevant for rights issue. The role and responsibilities of SCSBs,

Stock Exchanges and RTAs for public issues, shall be applicable mutatis mutandis to rights issue also."

9. The Recognized Stock Exchanges and Depositories are directed to
   a) bring the contents of this circular to the notice of all the stakeholders;
   b) put in place necessary systems and infrastructure for monitoring and implementation of this circular;
   c) make consequential changes, if any, to their respective bye-laws, rules and regulations and bidding portal;

10. The provisions of this circular shall come into force from April 07, 2025 and shall be applicable to the Rights Issues that are approved by the Board of Directors of the Issuer from the date of coming into force of this circular.

11. This Circular is being issued in exercise of the powers conferred under Section 11 and Section 11A of the Securities and Exchange Board of India Act, 1992 read with Regulation 299 of SEBI ICDR Regulations, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

12. A copy of this circular is available on SEBI website at www.sebi.gov.in under the categories "Legal → Circulars".

Yours faithfully,

Vimal Bhatter
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Annexure I

TABLE A		
Indicative timeline of broad activities involved in Rights Issue from the date of approval of Board of Directors of the Issuer till the date of closure of Rights Issue		
Sr. No.	**Broad activities performed during Rights Issue Process**	**Timelines (Working Days)**
1.	1st Board meeting for approval of rights issue	T (T being the date of Board of Directors of the Issuer approving the Rights Issue)
2.	Notice for 2nd Board meeting to fix record date, price, entitlement ratio etc. *Subject to Board's/ shareholders' approval**	T*
3.	Application by the issuer for seeking in-principle approval along with filing of Draft Letter of Offer with Stock Exchanges	T+1
4.	Receipt of in-principle approval from Stock Exchanges	T+3
5.	2nd Board meeting for fixing record date, price, entitlement ratio etc.	T+4
6.	Filing of Letter of Offer with Stock Exchanges and SEBI	T+5 to T+7
7.	Record Date	T+8
8.	Receipt of BENPOS on Record date (at the end of the day)	T+8
9.	Credit of Right Entitlements (REs)	T+9
10.	Dispatch / Communication to the shareholders of Letter of Offer	T+10
11.	Publication of advertisement for completion of dispatch	T+11
12.	Publication of advertisement for disclosing details of specific investor(s)	T+11
13.	Issue opening and commencement of trading in REs (Issue to be kept open for minimum 7 days as per Companies Act, 2013)	T+14
14.	Validation of Bids	T+14 to T+20
15.	Closure of REs trading (3 working days prior to issue closure date)	T+17
16.	Closure of off-market transfer of REs	T+19
17.	Issue closure	T+20
**If the Issuer is making a Rights Issue of convertible debt instruments, wherein shareholder's approval is required, then the notice for 2nd Board meeting to fix record date, price, entitlement ratio etc. would be given on the date of receiving shareholders' approval and the remaining timeline would be adjusted accordingly.*		

TABLE B		
Indicative timeline of broad activities involved in Rights Issue from the date of closure of Rights Issue till the date of listing and trading		
Sr. No.	**Broad activities performed during Rights Issue Process**	**Timelines (Working Days)**
1.	Issue closure	T (T being the date of closure of issue)
2.	Suspension of RE ISIN (immediately on issue closure)	T
3.	RTA obtains bid file from Stock Exchanges (SEs)	T
4.	Reverting for correction files to SCSBs for ASBA bids	T
5.	Receiving rectified/final bid data from SEs	T
6.	Receipt of final certificate from the SCSBs	T
7.	Co-ordination with SCSBs for pending final certificates for ASBA application	T
8.	Complete reconciliation of valid ASBA, REs holding and technical rejection.	T
9.	Basis of allotment to be carried out by RTAs in coordination with Designated Stock Exchange (DSE)	T+1
10.	Stock Exchange to approve the basis of allotment	T+1
11.	Transfer of funds from ASBA accounts to allotment account for allottees and refund account and unblocking of accounts for non-allottees	T+1
12.	Listing application to be made to SEs	T+1
13.	Instructions to dispatch of allotment and refund/unblocking intimations	T+2
14.	Receiving in-principle listing approval for corporate action	T+2
15.	Submit application with depositories for credit to respective demat shareholder account	T+2
16.	Receipt of credit confirmation from NSDL/CDSL	T+2
17.	Filing Documents with SEs for trading approval	T+2
18.	Publication of basis of allotment advertisement in newspaper and submission of same with SEs	T+2
19.	Receipt of trading approval from SEs	T+2
20.	Shifting of shares from temporary ISIN to live ISIN	T+2
21.	Transfer of funds from Rights escrow account to Issuer’s monitoring account	T+2
22.	Commencement of trading of shares issued pursuant to rights issue	T+3
23.	Submission of media compliance report with SEBI	T+3