

## **RIGHTS ISSUE OF FULLY PAID EQUITY SHARES BY KDDL LIMITED**

### **FREQUENTLY ASKED QUESTIONS**

Set out below are the frequently asked questions (“FAQs”) to guide investors in gaining familiarity with the application process for subscribing to the rights issue of fully paid up equity shares (“Issue” or “Rights Issue”) by KDDL Limited (“Company”) in terms of the letter of offer dated March 26, 2021 (“Letter of Offer”) filed with the Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE, and together with BSE, the “Stock Exchanges”). These FAQs are not exhaustive, nor do they purport to contain a summary of all the disclosures in the Letter of Offer or the entire application process in the Issue or all details relevant to prospective investors (“Investors”). Further, these FAQs should be read in conjunction with, and are qualified in their entirety by, more detailed information appearing in the Letter of Offer, including the sections “Notice to Investors”, “Notice to Investors in the United States”, “Risk Factors”, “Restriction on Purchases and Resales” and “Terms of the Issue” on pages 9, 10, 18, 232 and 194, respectively, of the Letter of Offer. Readers are advised to refer to the Letter of Offer which is available on the website of the Company at [www.kddl.com](http://www.kddl.com) / and Registrar to the Issue at [www.kfintech.com](http://www.kfintech.com), Lead Manager at [www.iticapital.in](http://www.iticapital.in) and Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). Unless otherwise defined herein, all capitalised terms shall have such meaning as ascribed to them in the Letter of Offer.

#### **A. General**

##### **FAQs:**

##### **1. What is the Rights Issue schedule?**

<b>LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS</b>	<b>Thursday, April 8, 2021</b>
<b>ISSUE OPENING DATE</b>	<b>Friday, April 9, 2021</b>
<b>LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS#</b>	<b>Monday, April 19, 2021</b>
<b>ISSUE CLOSING DATE*</b>	<b>Friday, April 23, 2021</b>
<b>FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)</b>	<b>Tuesday, May 4, 2021</b>
<b>DATE OF ALLOTMENT (ON OR ABOUT)</b>	<b>Tuesday, May 4, 2021</b>
<b>DATE OF CREDIT (ON OR ABOUT)</b>	<b>Wednesday, May 5, 2021</b>
<b>DATE OF LISTING (ON OR ABOUT)</b>	<b>Friday, May 7, 2021</b>

# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

*\* Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Further, in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI Circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 , please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to the Company or to the Registrar, they are required to provide their demat account details to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by April 20, 2021 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. i.e. April 22,2021.

## **2. What is the amount to be paid at the time of submitting the Application Form?**

Amount payable at the time of Application is ₹230 (Rupees Two Hundred Thirty only) per Rights Equity Share.

## **3. How can an Eligible Equity Shareholder access the details of his respective Rights Entitlement?**

The Rights Entitlements shall be credited to the respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, <https://rights.kfintech.com>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of the Company (*i.e.*, [www.kddl.com](http://www.kddl.com))

## **4. How will the Basis of Allotment be decided?**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlements Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.

(b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable

basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(d) Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment

(e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

**5. When will the Equity Shares be credited to the demat account?**

On or about Wednesday, May 5, 2021

**6. When will the Equity Shares get listed on the stock exchanges?**

On or about Friday, May 7, 2021.

**7. Will the Equity Shares be traded along with the currently listed Equity Shares of the Company?**

Yes, it will become a part of the already existing Equity Shares being traded on the Stock Exchanges.

**8. Will Equity Shares trade freely post listing?**

Yes.

**9. How to withdraw an Application made through Application Supported by Blocked Amount (ASBA) platform?**

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the Self Certified Syndicate Bank (SCSB) where application is submitted. However, no Investor, applying through ASBA facility can withdraw their Application post the Issue Closing Date.

## 10. What are the details of the Issue?

<b>Equity Shares being offered by the Company</b>	Up to 10,86,956 Equity Shares
<b>Issue Size</b>	Aggregating up to ₹2500.00 Lakhs
<b>Rights Entitlements</b>	In the ratio of 7 Rights Equity Shares for every 75 Equity Shares held on the Record Date
<b>Record Date</b>	Wednesday, March 31, 2021
<b>Issue Price</b>	₹230 per Rights Equity Share (including a premium of ₹220 per Rights Equity Share)

*For details on Issue Schedule, please see response to A(1) above*

## 11. What are the options available to an Eligible Equity Shareholder in rights Issue?

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

- i. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- v. renounce its Rights Entitlements in full.

## 12. Why the physical copies of the Letter of Offer/ Abridged Letter of Offer, Application Form, Rights Entitlement Letter have been dispatched to the Indian Eligible Equity Shareholders and not been dispatched to the overseas Eligible Equity Shareholders?

In accordance with the SEBI ICDR Regulations, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and the MCA Circular, the Company will despatch, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. The Company shall also endeavour to dispatch physical copies of the Issue Material to

Eligible Equity Shareholders who have provided an Indian address to the Company. However, the Company, Lead Manager and the Registrar will not be liable for non-receipt of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, by shareholders.

Investors can access the Letter of Offer, the Abridged Letter of Offer, the Application Form, statutory advertisement, corrigendum, if applicable (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) on the websites of:

- i. Company at [www.kddl.com](http://www.kddl.com)
- ii. the Registrar at [www.kfintech.com](http://www.kfintech.com);
- iii. the Lead Manager *i.e.*, ITI Capital Limited at [www.iticapital.in](http://www.iticapital.in)
- iv. the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com); and
- v. the Registrar at <https://rights.kfintech.com>

Eligible Equity Shareholders located outside of India should refer to the Letter of Offer accessible from the websites of the Company, the Registrar and the Lead Manager.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, <https://rights.kfintech.com>) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of the Company (*i.e.* [www.kddl.com](http://www.kddl.com)).

### **13. Can an application in the rights Issue be made using third party bank account?**

Investors can make payment only using **bank account held in their own name**. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

### **14. Can a joint bank account be used to make applications on behalf of shareholders?**

In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

### **15. Can an application be made by cash / cheque?**

No.

### **16. Can an application be made by visiting the Company, Registrar, Lead Manager's office?**

No.

**17. Can the broker collect the application form and submit the application?**

No.

**18. How can an Investor understand if the Equity Shares have been allocated?**

The Company and/or the Registrar will email Allotment advice to the successful investors who have received allocation.

**19. What is the procedure for making plain paper application and where can the plain paper application be submitted?**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

**20. What are fractional entitlements? What will be the entitlement if a shareholder holds less than 11 shares?**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 7 Rights Equity Shares for every 75 Equity Shares held as on the Record Date. As per *SEBI Circular* bearing reference number *SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020*, the fractional entitlements are to be ignored by rounding down the Rights Entitlements. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 11 Equity Shares or is not in the multiple of 11 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 11 Equity Shares, such Equity Shareholder will be entitled to 1 (one) Rights Equity Shares and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above the Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 11 Equity Shares shall have 'zero' entitlement

for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

**21. If the Investor purchased Rights Entitlements from the secondary market, does he need to pay once again for the Rights Equity Shares applied for through ASBA**

Yes, even though the Investor purchased the Rights Entitlements from the secondary market, they need to block/pay the issue price amount through designated SCSBs.

**22. Can Investors apply with Multiple Applications with same Folio/DPID-CLID?**

Yes, if the Pattern of depository PAN numbers and Names is in order as per record date data available, then they can apply multiple applications with same Folio/DPID-CLID. In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.

**23. Whether any persons who are not existing shareholders of the issuer company as on record date, can apply to the Rights Issue?**

Persons who are not existing shareholders of the Issuer Company as on the record date can buy the Rights Entitlements (REs) through online or off line renunciation and apply in the Rights Issue up to REs bought.

**24. What will happen if Rights Entitlements (REs) are purchased through On market renunciation / Off market renunciation, and no application is made for subscribing the shares / other securities offered under Rights Issue?**

In case REs are purchased through On market renunciation/ Off market renunciation, and no corresponding application is made for subscribing the shares/ other securities offered under Rights Issue, the REs purchased will lapse.

**B. FAQs for Shareholders holding Equity Shares in a physical form:**

**1. What is the process to be followed by a shareholder holding shares in a physical form, for understanding their Rights Entitlements details?**

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.kfintech.com>) by entering their Folio Number and PAN. The link for the same shall also be available on the website of the Company (i.e., [www.kddl.com](http://www.kddl.com) ).

**2. What is the process to be followed, to make an application in Rights Issue, by a shareholder holding shares in a physical form?**

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have furnished the details of their demat accounts to the Registrar or the Company within such time prior to the Issue Closing Date so that their Rights Entitlements are credited to their respective demat accounts by the Registrar, may apply in the Issue through the ASBA process. Further in accordance with **one-time relaxation** vide SEBI Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or the Company at least two Working Days prior to the Issue Closing Date (i.e. April 20, 2021), desirous of subscribing to Rights Equity Shares may also apply in the Issue during the Issue Period. Application by such Eligible Equity Shareholders is subject to following conditions:

- (i) the Eligible Equity Shareholders apply only through ASBA;
- (ii) the Eligible Equity Shareholders are residents and individuals;
- (iii) the Eligible Equity Shareholders are not making payment from non-resident account;
- (iv) the Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- (v) the Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Accordingly, such resident Eligible Equity Shareholders are required to, within 6 (six) months from the Allotment Date, send a communication to the Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery, to enable process of credit of Equity Shares in such demat account. Until such period the Rights Equity Shares Allotted to such Eligible Equity Shareholders who hold Equity Shares in physical form, will be credited into the demat suspense account to be opened by the Company.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Equity Shares in "*Terms of the Issue – Procedure for - Application by Eligible Equity Shareholders holding Equity Shares in physical form*" and "*Terms of the Issue - Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" on pages 213 and 223, respectively, of the Letter of Offer.

### **3. What is the process of updating the email ID, phone number and Indian address?**

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or the Company, Eligible Equity Shareholders should visit <https://rights.kfintech.com>.

Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and the Company by submitting their respective copies of self-attested proof of address, passport, etc. at



<https://rights.kfintech.com> or [kddl.rights@kfintech.com](mailto:kddl.rights@kfintech.com); .

#### **4. Can shareholders holding Equity Shares in a physical form renounce their Rights Entitlement?**

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or the Company at least two Working Days (i.e. April 20,2021) prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

#### **5. Will share certificates be provided to shareholder holding Equity Shares in a physical form if demat account is not provided?**

No, share certificates will not be provided to shareholder holding Equity Shares in a physical form.

#### **6. Why will physical share certificates not be issued to successful Allottees in Rights Issue?**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only.

#### **7. What is the process for the shareholders who have been allotted shares in the rights Issue for getting the Equity Shares in demat account post allotment?**

In case of Allotment to resident Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or the Company at least two Working Days(i.e. April 20,2021) prior to the Issue Closing Date, the following procedure shall be adhered to:

(a) the Registrar shall send Allotment advice and credit the Equity Shares to a demat suspense account to be opened by the Company;

(b) such Eligible Equity Shareholders shall be required to send a communication to the Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery; and

(c) Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders;

(d) Company shall send reminder notices seeking the requisite details of demat account, in due course, to such resident Eligible Equity Shareholders who have not provided the requisite details; and

(e) In case the details of demat account provided by the Eligible Equity Shareholders are not of his/ her own demat account, the Rights Equity Shares shall remain in the demat suspense account

For additional details, please see “ *Terms of the Issue - Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on page 223 of the Letter of Offer.

**8. How much time will it take to get the Equity Shares credited in demat account for those investors who have not provided their demat account details during issue period?**

The Company (with the assistance of the Registrar) shall, after verification of the details of demat account (as furnished by the Eligible Equity Shareholders holding shares in physical form) by the Registrar, within reasonable time initiate the process of transfer of the Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders.

**9. Will voting rights be available against Equity Shares to an Allottee who has not provided his demat account details?**

Voting rights will not be available against the Equity Shares that are kept in the demat suspense account.

**10. Will dividends be payable to an Allottee holding Equity Shares in physical form until his demat account details are provided?**

The respective Eligible Equity Shareholders who are allotted Equity Shares will be eligible to receive dividends, if declared, in respect of such Equity Shares, as permitted under applicable laws.

**11. Can shareholders holding Equity Shares in physical form apply through ASBA?**

In accordance with the *SEBI Rights Issue Circulars*, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have furnished the details of their demat accounts to the Registrar or our Company within such time prior to the Issue Closing Date so that their Rights Entitlements are credited to their respective demat accounts by the Registrar, may apply in the Issue either through the ASBA process facility

**C. FAQs by Shareholders holding Equity Shares in Demat form:**

**1. What is the process to be followed by a shareholder holding Equity Shares in demat form to make an application in rights Issue?**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making

their Application through ASBA.

For details, see “*Terms of the Issue - Procedure for Application through the ASBA process*” on page 206 of the Letter of Offer.

## **2. What is the process of on market and off market renunciation?**

### ***(a) On Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of the Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE291D20011 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Friday, April 9, 2021 to Monday, April 19, 2021 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE291D20011 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on ‘T+2 rolling settlement basis’, where ‘T’ refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

### ***(b) Off Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the

Renounces on or prior to the Issue Closing Date

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE291D20011, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**D. FAQs for institutional Investors, Non-resident Investors:**

**1. What is the process to be followed by an Institutional / NRI Investor holding the Equity Shares in dematerialized mode to make an application in rights Issue?**

Please see response to C (1) above. Please ensure that you are eligible to participate in the Issue. For details, see "*Restrictions on Purchases and Resales*" on page 232 of the Letter of Offer and "*Terms of the Issue - Offer to Non-Resident Eligible Equity Shareholders/Investors*" on page 203 of the Letter of Offer.

**2. What is the process of on market and off market renunciation?**

Please see response to C (2) above.

**3. Can an Application for Equity Shares be submitted by a custodian of institutional investor?**

Yes, application can be submitted by the custodian of the institutional investor following the applicable process prescribed under the Letter of Offer. Please ensure that you are eligible to participate in the Issue. For details, see "Restrictions on Purchases and Resales" on page 232 of the Letter of Offer.

**4. Is there any restriction on total investment amount / Equity Shares**

Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights

Entitlements and the Equity Shares in accordance with the legal requirements applicable in such person's

jurisdiction and India, without requirement for the Company or its affiliates or the Lead Managers or their respective affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in “Other Regulatory and Statutory Disclosures – Selling Restrictions” and “Restrictions on Purchase and Resales” on pages 190 and 232, respectively of the Letter of Offer.

## **5. Which institutional / Non Resident Investor can participate in rights Issue?**

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer, its accompanying documents or any other material relating to the Company, the Rights Entitlements or the Rights Equity Shares in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlements, Rights Equity Shares and Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold within the United States (other than to persons in the United States who are U.S. QIBs).

The Rights Entitlements or the Rights Equity Shares may not be offered or sold, directly or indirectly, and none of the Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Rights Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly within the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Rights Entitlements and Rights Equity Shares referred to in the Letter of Offer are being offered in offshore transactions outside the United States in compliance with Regulation S under the Securities Act and in the United States to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) under the Securities Act and other exemptions from the registration requirements of the Securities Act. Neither receipt of the Letter of Offer or any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholder who has received this Letter of Offer and its accompanying documents directly from our Company or the Registrar.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

The Company is making the Issue on a rights basis to the Eligible Equity Shareholders of the Company and will dispatch the Letter of Offer/ Abridged Letter of Offer and Application Form primarily through an e-mail by the Registrar on behalf of the Company or the Lead Manager only to Eligible Equity Shareholders with SEBI circular bearing SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI Circular bearing

SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July, 24, 2020) and SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 who have provided an Indian address to the Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch this Letter of Offer / Abridged Letter of Offer and Application Form, shall not be sent this Letter of Offer / Abridged Letter of Offer and Application Form. Further, Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, the Company, the Lead Manager, and the Stock Exchanges, and on R-WAP.

The Company is making the Issue on a rights basis to the Eligible Equity Shareholders (i) in offshore transactions outside the United States in compliance with Regulation S to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and (ii) in the United States to U.S. QIBs pursuant to Section 4(a)(2) of the Securities Act and other exemptions from the registration requirements of the Securities Act. The Company will dispatch the Letter of Offer / Abridged Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions.

For Details please see section entitled “*Restrictions on Purchases and Resales*” on page 232 of the Letter of Offer.

## **DISCLAIMER**

KDDL Limited is proposing, subject to market conditions and other considerations, a rights issue of its Rights Equity Shares and has in this regard filed a Letter of Offer dated March 26, 2021 (“**LOF**”) with SEBI and the Stock Exchanges. The LOF is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com), the Registrar’s website at <https://rights.kfintech.com/> and on the websites of the Lead Manager, ITI Capital Limited at [www.iticapital.in](http://www.iticapital.in); respectively. Investors should note that investment in equity shares involves a degree of risk and are requested to refer to the section titled “*Risk Factors*” on page 18 of the Letter of Offer for details of the same. Potential investors should not rely on the Letter of Offer for any investment decision.

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR THE TERRITORIES OR POSSESSIONS THEREOF (THE “**UNITED STATES**” OR “**US**”), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND RIGHTS EQUITY SHARES REFERRED TO IN THIS LETTER OF OFFER ARE BEING OFFERED AND SOLD (I) IN OFFSHORE TRANSACTIONS OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT (“**REGULATION S**”) TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS EQUITY SHARES IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS AND (II) IN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (“**U.S. QIB**”) PURSUANT TO

SECTION 4(a)(2) OF THE SECURITIES ACT AND OTHER EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE SAID SECURITIES, EXCEPT IN EACH CASE TO PERSONS IN THE UNITED STATES WHO ARE U.S. QIBs. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER IN OR INTO THE UNITED STATES AT ANY TIME (OTHER THAN TO U.S. QIBs).