

Rights Issue:

Reduction in minimum offer period

This Update is meant for general information and shall not be deemed to be a legal advice or opinion. This Update is neither intended to be an advertisement or solicitation.

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MCA has revised the *offer period for a rights issue* under Section 62 of the Companies Act, 2013, vide the Companies (Share Capital and Debentures) Rules, 2014 dated February 11, 2021 ([available here](#)). For a rights issue,

- Earlier the minimum offer period was 15 days, and maximum was 30 days, from the date of the offer.
- Now, the minimum time period within which the offer shall be made for acceptance is 7 days from the date of offer.

The aforementioned notification shall come into force from April 1, 2021.