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Under the ICDR Regulations, an application for a **Rights Issue** was required to be made only through Applications Supported by Blocked Amount (**ASBA**) facility.

However, the listed company, lead manager, registrar and other recognized intermediaries were permitted to provide an additional optional mechanism which is **non-cash mode** for acceptance of applications of the shareholders in relation to the Rights Issue until September 30, 2021, subject to ensuring that no third-party payments are allowed in respect of such applications by shareholders.

Now, SEBI has further extended the aforesaid relaxation for applications in relation to a Rights Issue up to **March 31, 2022**, subject to certain conditions, some of which are as set out hereunder:

- The listed company is required to conduct a **Vulnerability Test** for the non-cash based optional mechanism provided for acceptance of the Rights Issue application, from an independent IT auditor and submit the same to the stock exchange(s).

The aforementioned change has been made vide a SEBI circular dated October 1, 2021 ([available here](#)).

Extension of timeline for making Rights Issue Application through a non-cash based optional mechanism

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