

Revised Timeline for Trading in Right Entitlements

In order to ensure that investors have adequate number of days for settlement of Right Entitlements and apply for rights issue thereafter, SEBI has amended the timeline for trading in dematerialised **Right Entitlements** on the secondary market platform of stock exchange.

- SEBI had notified that trading in **Right Entitlements** on stock exchanges is required to commence along with the opening of the rights issue and be closed *at least four days prior* to the closure of the rights issue.
- Now, trading in **Right Entitlements** on the stock exchange is required to close *at least three working days prior* to the closure of the rights issue.

The aforementioned was notified by SEBI vide a circular dated May 19, 2022 ([available here](#)) and would be applicable for all rights issues and fast track rights issue with immediate effect.

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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