

## PRIMARY MARKETS

### DOS

- ✓ Take a holistic view of your financial goals and invest accordingly
- ✓ Be aware that value of your investments is subject to ups and downs of the market. They do not offer guaranteed returns like bank deposits
- ✓ Read the Offer Document (**OD**) before investing and carefully note:
  - Risk factors pertaining to the issue
  - Financials of the issuer
  - Object of the issue
  - Outstanding litigations and defaults, if any
  - IPO Grading / Credit rating
  - Basis of issue price
  - Business Overview
  - Background of promoters
  - Instructions before making application
- ✓ Be aware that
  - The OD is available on the website(s) of SEBI, Issuer and Stock Exchange(s)
  - Physical copy of the OD may be obtained from SEBI or from Merchant Banker (**MB**) or the issuer
  - Abridged OD is available along with the issue application form
- ✓ Be aware that an intermediary or its staff making a recommendation, is required to disclose their interest/ position in that issue
- ✓ Use Application Supported by Blocked Amount (**ASBA**) for equity issues - the smart choice
  - Avail ASBA application forms from website(s) of Stock Exchange(s) and submit it to Self Certified Syndicate Bank (SCSB)
  - Submit application electronically if you have internet banking facility with SCSBs
  - Be aware that you can make up to 5 ASBA applications per bank account per issue
- ✓ Fill the application in BLOCK LETTERS in English
- ✓ Peruse the status of the 'book' on the Stock Exchange website(s)
- ✓ In case of any doubt / grievance, contact the Compliance Officer / MB named in the OD
  - Be aware that listed companies, Registrar to the Issue (**RTI**) and MBs are required to have a dedicated Email ID for registering your complaints
- ✓ Be aware that investor complaints against listed companies are displayed on the websites of Stock Exchange (**SE**)
- ✓ Approach SEBI, if your grievance is not resolved
- ✓ Peruse the post issue advertisements issued by the company for issue price and basis of allotment

### DON'TS

- × Do not invest with borrowed money
- × Do not expect unrealistic / guaranteed returns
- × Do not invest without reading the OD

- \* Do not be influenced by advertisement / advices / rumours / unauthentic news promising unrealistic gains and windfall profits in mass media
- \* Do not be guided by astrological predictions on share prices and market movements
- \* Do not fall prey to market rumours / 'hot tips'/ 'opportunity knocks only once' kind of advice
- \* Do not be swayed by market sentiments
- \* Do not invest on any explicit / implicit promises made by anyone
- \* Do not indulge in impulse investing
- \* Do not participate in unauthorised and illegal trades outside the stock exchange mechanism prior to listing (grey market)
- \* Do not give wrong / contradictory / incomplete information in the application form
- \* Do not submit multiple applications
- \* Do not mutilate the application form
- \* Do not pay application money by postal order / money order / cash
- \* Do not send the application form by post
- \* Do not speculate on high returns upon listing
- \* Do not engage in practices that distort demand / prices artificially

## **RIGHTS**

- ✓ To offer comments, if any, on the draft OD available on the websites of MB / Stock Exchange / SEBI and have them addressed in the (final) OD filed with Registrar Of Companies / Stock Exchange
- ✓ To revise / change your bid before its closure
- ✓ To withdraw your application, before the allotment
  - In case of ASBA application
    - up to the bid closure period by writing to the SCSB
    - after closure of issue by writing to the RTI
  - In case of normal application
    - by writing to the RTI
- ✓ To receive in equity issue(s)
  - allotment and demat credit within 12 working days of its closure
  - refund within 15 days of its closure
- ✓ To receive allotment / refund within 30 days of closure of debt issue(s)
- ✓ To receive refund through ECS / NEFT / RTGS, wherever such facility is available
- ✓ To receive interest @ 15% p.a. upon delay in allotment / refund beyond the aforesaid period
- ✓ In case of issue of debt securities:
  - To receive credit of debt securities into the demat a/c within 2 working days of allotment

## **RESPONSIBILITIES**

- ✓ To offer comments, if any, on the draft OD available on the websites of MB / Stock Exchange / SEBI
- ✓ Read the OD, understand the risks properly and then make your investment decision

- ✓ Invest only after carefully analyzing the suitability in the context of your financial goals and risk taking capacity
- ✓ While filling up the application form:
  - To give complete information
  - To fill it legibly without any crossing / corrections / over writing
  - To ensure that the name(s) and signature(s) match with that of the demat account and that they are in the same order
  - To furnish all the documents sought
  - To strike off the non applicable fields
  - To mention the application form number on the reverse of the draft / cheque
  - To recheck the information provided including
    1. 16 digit demat account number
    2. PAN
    3. Bank account details
  - Collect acknowledgement for your application from Syndicate member
- ✓ If using ASBA:
  - Use specified application form for ASBA
  - If applicant is different from account holder, ensure ASBA application is signed by account holder and applicant
  - Submit the application forms to SCSB/Syndicate member within closing date and specified closing time
  - Collect Transaction Registration Slip (**TRS**) / acknowledgement from SCSB / Syndicate member
  - Collect revised TRS in case of revision of bids
- ✓ Peruse reports issued by the Company on utilisation of issue proceeds

*Disclaimer: The aforesaid information provided as a service to investor(s) and general in nature. It is neither a legal interpretation nor a statement of SEBI policy. If you have questions concerning the meaning or application of a particular act or rule or regulation or circular, please consult your legal advisor.*

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