

FREQUENTLY ASKED QUESTIONS

Issue of equity shares by Bhagiradha Chemicals and Industries Limited (Company) on rights basis along with reservation of equity shares for eligible employees by the Company

Set out below are the frequently asked questions (FAQs) to guide investors in gaining familiarity with the application process for subscribing to the Issue Shares of BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED (Company) (Issue) in terms of the letter of offer dated April 5, 2022 (Letter of Offer), submitted to the Securities and Exchange Board of India (SEBI) and filed with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). 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 entitled 'Notice to Investors', 'Risk Factors' and 'Terms of the Issue' beginning on pages 12, 21 and 199 respectively, of the Letter of Offer. Readers are advised to refer to the Letter of Offer which is available on the website of the Registrar (www.linkintime.co.in), Company (www.bhagirad.com), Lead Manager (www.emkayglobal.com), SEBI (www.sebi.gov.in) and Stock Exchanges (BSE at www.bseindia.com and (NSE at www.nseindia.com)). Unless otherwise defined herein, all capitalised terms shall have such meaning as ascribed to them in the Letter of Offer.

1. What are the details of the Issue?

Issue Shares being offered by our Company pursuant to the Issue	Up to 20,95,924 Equity Shares aggregating up to ₹8,383.70 lakh
Less: Employee Reservation Portion	Up to 1,40,700 Equity Shares aggregating up to ₹562.80 lakh
Net Issue	Up to 19,55,224 Equity Shares aggregating up to ₹7,820.90 lakh
Rights Entitlement for Equity Shares for Eligible Equity Shareholders*	4 Rights Equity Shares for every 17 fully paid-up Equity Shares held on the Record Date
Record Date	Saturday, April 9, 2022
Face value per Equity Share	₹10
Issue Price per Issue Share	₹400 (including a premium of ₹390 per Issue Share)
Issue Size	Up to ₹8,383.70 lakh
Equity Shares subscribed, paid-up and outstanding prior to the Issue	83,09,700 Equity Shares
Equity Shares subscribed, paid-up and outstanding after the Issue (assuming full subscription for and Allotment of the Issue Shares)	1,04,05,624 Equity Shares
Security codes for the IssueShares	ISIN: INE414D01019 BSE Code: 531719 NSE Symbol: BHAGCHEM
ISIN for Rights Entitlements	INE414D20019
Terms of the Issue	For details, please refer to the chapter entitled 'Terms of the Issue' beginning on page 199.
Use of Issue Proceeds	For details, please refer to the chapter entitled 'Objects of the Issue' beginning on page 51.

*For Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 17 Equity Shares or is not in multiples of 17, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlements.

2. What is the Issue schedule?

Last Date for credit of Rights Entitlements	Monday, April 18, 2022
Issue Opening Date	Tuesday, April 19, 2022
Last Date for On Market Renunciation of Rights Entitlements [#]	Thursday, April 28, 2022
Issue Closing Date*	Wednesday, May 4, 2022
Finalisation of Basis of Allotment (on or about)	Monday, May 9, 2022
Date of Allotment (on or about)	Tuesday, May 10, 2022
Date of credit (on or about)	Thursday, May 12, 2022
Date of listing (on or about)	Friday, May 13, 2022

**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, provided that this Issue will not remain open in excess of 30 (thirty) 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.*

#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 Renounees on or prior to the Issue Closing Date.

3. What is the Rights Entitlement Ratio?

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 4 Rights Equity Shares for every 17 fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date.

4. What is the amount to be paid at the time of submitting the Application Form?

Issue Price of Equity Shares is ₹400 per Equity Shares. Amount payable at the time of Application is ₹400 per Equity Share (including premium of ₹390 per Equity Share) in respect of the Equity Shares applied for in the Issue at the Issue Price.

5. What are Rights Entitlements?

Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, i.e., on April 9, 2022, being 4 Rights Equity Shares for every 17 full paid-up Equity Shares held by an Eligible Equity Shareholder as on the Record date.

The Registrar has sent the Rights Entitlement Letter along with the Abridged Letter of Offer and Application Form to all Eligible Equity Shareholders, through email or physical dispatch, which contain details of their Rights Entitlements based on the shareholding as on the Record Date.

Further, the Eligible Equity Shareholders can also obtain the details of their Rights Entitlements from the website of the Registrar to the Issue (i.e., www.linkintime.co.in) by entering their DP ID, Client ID / Folio No. and PAN.

6. How are Rights Entitlements (REs) issued?

Rights Entitlements (REs) are issued in dematerialised form only, under a separate ISIN i.e., INE414D20019.

7. What happens to Rights Entitlements (REs) which are neither subscribed nor renounced on or before the Issue Closing Date?

Rights Entitlements (REs) which are neither subscribed nor renounced on or before the Issue Closing Date shall be lapsed and extinguished after the Issue Closing Date.

8. How Eligible Employee can apply in Issue?

The Equity Shares are being offered under the Employees Reservation Portion pursuant to SEBI ICDR Regulations to the Eligible Employees of our Company subject to the total consideration for Equity Shares applied for by an Eligible Employee not exceeding ₹2.00 lakh provided that in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of ₹ 2.00 lakh, subject to the total allotment to an employee not exceeding ₹ 5.00 lakh.

The Eligible Employee applying under the Employee Reservation Portion should compulsorily apply through the EAF. It is clarified that the Eligible Employees participating under the Employee Reservation Portion cannot renounce their right to participate in the Issue.

9. 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 Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Issue Shares in the following order of priority:

- a. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for 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 Equity Share each if they apply for Additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of 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 Equity Shares offered to them as part of this Issue, have also applied for Additional Equity Shares. The Allotment of such Additional 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 Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such 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 Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for Additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such 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, subject to applicable laws, 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.
- f. 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'.

In case of Eligible Employee:

Eligible Employee must apply for a minimum of one Equity Shares and in multiples of one Equity Shares, subject to the total consideration for Equity Shares applied for by Eligible Employee not exceeding ₹2.00

lakh provided that in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of ₹2.00 lakh, subject to the total allotment to an employee not exceeding ₹5.00 lakh.

Applications received from the Eligible Employees shall be grouped together to determine the total demand under the Employee Reservation Portion. If the aggregate demand in this category is less than or equal to 1,40,700 Equity Shares, full allocation shall be made to the Eligible Employees to the extent of their demand. If the aggregate demand in this category is greater than 1,40,700 Equity Shares, the allocation shall be made on a proportionate basis up to a minimum of one Equity Shares and in multiple of one Equity Share thereafter.

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

Rights Entitlements shall be credited to the respective demat accounts of 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., www.linkintime.co.in by entering their DP ID, Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form as on the record date, i.e., April 09, 2022).

11. What are fractional entitlements? What will be the entitlement if a shareholder holds less than 17 shares?

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 4 Rights Equity Shares for every 17 Equity Shares held as on the Record Date. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 17 Equity Shares or is not in the multiple of 17 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 16 Equity Shares, such Equity Shareholder will be entitled to 3 Rights Equity Share 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 his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

12. When will Credit of Rights Entitlements in the demat accounts happen?

Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.

In this connection, the Company has made necessary arrangements with NSDL and CDSL for credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in dematerialised form. The ISIN of the Rights Entitlements is INE414D20019. The said ISIN shall remain frozen (for debit) until the Issue Opening and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. The said ISIN shall be suspended by the Depositories post the Issue Closing Date.

The Eligible Equity Shareholders holding the Equity Shares in the physical form as on Record Date (**Physical Shareholders**) shall provide the details of their demat accounts to the Company or to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date.

13. What is the process for Renunciation of Rights Entitlements?

This Issue includes a right exercisable by the Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat accounts either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of

the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renouncement of Rights Entitlements credited in your demat account can be made either by using the secondary market platform of the Stock Exchange (**On Market Renunciation**) or through off market transfer (**Off Market Renunciation**), during the Renunciation Period. For more details, please refer to the chapter entitled '*Terms of the Issue -Procedure for Renunciation of Rights Entitlements*' on page 215 of the Letter of Offer.

a) On Market Renunciation

The Eligible Equity Shareholders holding the Rights Entitlements in dematerialized form in their respective demat account can renounce the same by trading/selling them over 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 are being traded.

In this connection, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - INE414D20019. 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 Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Tuesday, April 19, 2022 till Thursday, April 28, 2022 (both days inclusive).

The Investors holding the Rights Entitlements in their demat account who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN: INE414D20019 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of their Rights Entitlements only to the extent of such Rights Entitlements are available in their demat account.

The order for trading of the Rights Entitlements can be placed during the normal trading hours of the Stock Exchanges and only during the Renunciation Period.

The trading in Rights Entitlements can 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.

The Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock brokers for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the stock brokers for trading in Rights Entitlements. The Lead Manager and the Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage) levied by the stockbrokers, and such costs will be incurred solely by the Investors.

b) Off Market Renunciation

The Eligible Equity Shareholders holding Rights Entitlements in dematerialized form in their demat account can renounce the same through off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized 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 Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements in their demat account 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- INE414D20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless he has already given a standing receipt instruction) has to issue a receipt instruction slip to his 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 and only during the Renunciation Period.

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.

14. 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 with designated SCSBs.

15. Whether any persons who are not existing shareholders of the issuer company as on the 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 On Market or Off Market Renunciation and apply in the Rights Issue up to the Rights Entitlements bought as well as the Additional Rights Equity Shares.

16. 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 Rights Entitlements 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 Rights Entitlements purchased will lapse.

17. What are the options available to the Eligible Equity Shareholders in the Rights Issue?

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to. If the Eligible Equity Shareholder applies in the Issue, then such shareholder can:

- Apply for his/her Rights Entitlements in full; or
- Apply for his/her Rights Entitlements in part without renouncing the other part of the Rights Entitlements; or
- Apply for his/her Rights Entitlements in part and renounce the other part of the Rights Entitlements; or
- Apply for his/her Rights Entitlements in full and apply for additional Equity Shares; or
- Renounce his/her Rights Entitlements in full.

18. 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 the Applications made with payment using third party bank accounts are liable to be rejected.

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

Yes. 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.

20. Can an application be made by cash / cheque?

No.

21. Can an application be made by visiting the Company, Registrar and / or the Lead Manager's office?

No.

22. Can the broker collect the application form and submit the application?

No.

23. Does purchase of Rights Entitlement mean the purchaser will automatically get Rights Equity Shares?

The purchaser/investor acquiring Rights Entitlement on the floor of the Stock Exchanges or in the off-market transaction will not automatically get Rights Equity Shares. They will be required to make an application in accordance with the provision of the Letter of Offer for acquiring Rights Equity Shares to the extent of the Rights Entitlement acquired and/or the Additional Rights Equity Shares.

PLEASE NOTE THAT IF NO APPLICATION IS MADE BY THE ELIGIBLE EQUITY SHAREHOLDERS OF RIGHTS ENTITLEMENTS ON OR BEFORE ISSUE CLOSING DATE, SUCH RIGHTS ENTITLEMENTS SHALL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO RIGHTS EQUITY SHARES FOR SUCH LAPSED RIGHTS ENTITLEMENTS WILL BE CREDITED, EVEN IF SUCH RIGHTS ENTITLEMENTS WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE PREMIUM PAID TO ACQUIRE THE RIGHTS ENTITLEMENTS. PERSONS WHO ARE CREDITED THE RIGHTS ENTITLEMENTS ARE REQUIRED TO MAKE AN APPLICATION TO APPLY FOR THE RIGHTS EQUITY SHARES OFFERED UNDER THE RIGHTS ISSUE FOR SUBSCRIBING TO THE RIGHTS EQUITY SHARES OFFERED UNDER THE ISSUE.

24. How can an Investor understand that the Application has been successfully made?

Investors will be provided acknowledgment / confirmation email upon successful completion of Application.

25. How can an Investor understand if the Issue Shares have been allocated?

The Company and/or the Registrar to the Issue will send intimations through email (Allotment/ Refund advice) and a physical dispatch, to the Indian address provided to our Company or at the address recorded with the Depository, to all the applicants who have been allotted the Issue Shares.

26. 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 www.linkintime.co.in.

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 bhagiradha.rights@linkintime.co.in

27. How can an investor apply in the Issue?

Pursuant to provisions of Regulation 76 of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars and ASBA Circulars, all Investors including Renounees desiring to make an Application in this 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 on the ASBA Process, please refer to the chapter entitled '*Terms of the Issue - Procedure for Application through the ASBA Process*' on page 202 of the Letter of Offer.

28. 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 this Issue on plain paper in case of non-receipt of Application Form. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. 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.

Further, please note that Eligible Employees cannot make an application on a plain paper. Any application by an Eligible Employee other than through EAF is liable to be rejected. An Eligible Employee who has not received the EAF may approach the Registrar for the Issue of duplicate EAF.

29. What is the process of Application by the Physical Shareholders?

In accordance with Regulation 77A of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse.

Shareholder are required to make the application on or prior to the Issue Closing Date. Application will be considered only if REs are furnished in the demat account.

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), 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 email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The Eligible Equity Shareholders can access the Application Form from:
 - Registrar (www.linkintime.co.in);
 - our Company (www.bhagirad.com);
 - the Lead Manager (at : www.emkayglobal.com)
 - the Stock Exchanges (at www.bseindia.com); and NSE at (www.nseindia.com) .

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) 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 our Company (i.e www.bhagirad.com)

- d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

30. Can shareholders holding Equity Shares in a physical form renounce their Rights Entitlement?

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to the Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines

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

Since the Allotment is in dematerialised form, no share certificate will be provided to shareholder holding Equity Shares in a physical form.

32. 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 Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only.

33. Will the shareholders holding shares in physical form, who have not been provided demat account details be allotted shares in the rights Issue?

Please note that 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. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

34. How much time will it take to get the Rights Entitlement credited in demat account for those investors who have not provided their demat account details during issue period?

Our Company (with the assistance of the Registrar) shall, after verification of the details of demat account by the Registrar, within reasonable time initiate the process of transfer of the Rights Entitlement from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Such Eligible Equity Shareholders hold Rights Equity Shares in physical form as on Record Date, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

35. What is the last date for providing the demat account details for getting the Equity Shares Allotted in the Issue in such demat account?

Two working days prior to the closure of the Issue.

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

No, Eligible Equity Shareholders holding Equity Shares in physical form, cannot apply through ASBA unless such shareholders provide their demat account details to our Company or the Registrar to the Issue not later than two Working Days prior to the Issue Closing Date, 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. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., www.linkintime.co.in). Such Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

37. 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, please refer to the chapter entitled '*Terms of the Issue - Procedure for Application through the ASBA Process*' on page 202 of the Letter of Offer

38. Is there any restriction on total investment amount?

Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the investment limits or maximum number of Equity Shares that can be held by them prescribed 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 and the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Please note that the Eligible Employee must apply for a minimum of one Equity Shares and in multiples of one Equity Shares, subject to the total consideration for Equity Shares applied for by Eligible Employee not exceeding ₹2.00 lakh provided that in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of ₹2.00 lakh, subject to the total allotment to an employee not exceeding ₹5.00 lakh. Applications received from the Eligible Employees shall be grouped together to determine the total demand under the Employee Reservation Portion.

39. What will be the treatment of multiple Applications?

The Investors shall submit only one Application Form for the Rights Entitlements available in a particular demat account.

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual

fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see 'Procedure for Applications by Mutual Funds' on page 211 of the Letter of Offer.

In cases where multiple Application Forms are submitted, including cases where an Investor submits Application Forms along with a plain paper Application, multiple plain paper Applications or as well as through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue described in 'Capital Structure – Subscription to the Issue by the Promoters and the Promoter Group' on page 49 of the Letter of Offer.

Eligible Employees who are Eligible Equity Shareholders may also apply under the Rights Issue. In such a case, application under the Rights Issue and application under the Employee Reservation Portion shall not be considered as multiple applications.

40. How to withdraw an Application made through ASBA?

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted or sending the email withdrawal request to bhagiradha.rights@linkintime.co.in. However, the Application, applying through ASBA Process facility, cannot be withdrawn after the Issue Closing Date.

41. Whether Overseas Investors can participate in rights Issue?

Pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (OCBs) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals. For more details, please refer to the chapter entitled "Restrictions on Foreign Ownership of Indian Securities" beginning on page 229.

For the details of Application by Mutual Funds, NRIs, Systemically Important Non-Banking Financial Companies, AIFs, FVCIs and VCFs, FPIs, see the chapter titled "Terms of the Issue" on page 199 of the Letter of Offer.

42. When will the Issue Shares be credited to the demat account?

On or about Thursday, May 12, 2022.

43. When will the Issue Shares get listed on the exchanges?

On or about Friday, May 13, 2022.

DISCLAIMER

Bhagiradha Chemicals & Industries Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to issue Equity Shares on right basis to Eligible Equity Shareholders and reserve portion of Equity Shares for Eligible Employees and has filed a Letter of Offer dated April 5, 2022 with the Stock Exchanges and submitted to SEBI. The Letter of Offer is available on the website of SEBI at www.sebi.gov.in, websites of Stock Exchanges where the Equity Shares are listed i.e., BSE and NSE at www.bseindia.com and www.nseindia.com respectively, the website of the Lead Manager at www.emkayglobal.com. Investors should note that investment in equity shares involves a high degree of risk and are requested to refer the Letter of Offer including the section entitled 'Risk Factors' beginning on page 21 of the Letter of Offer. Potential investors should not rely on the Letter of Offer for any investment decision.

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Issue Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the 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 and Issue Shares have not been and will not be registered under the U.S. 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 and QPs).

The Rights Entitlements or the Equity Shares may not be offered or sold, directly or indirectly, and none of this Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the 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.

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

Each person who exercises the Rights Entitlements and subscribes for the Equity Shares, or who purchases the Rights Entitlements, or the Equity Shares shall do so in accordance with the restrictions in their respective jurisdictions.