

**FREQUENTLY ASKED QUESTIONS**

**RIGHTS ISSUE OF EQUITY SHARES BY MARKOLINES PAVEMENT TECHNOLOGIES LIMITED**

Set out below are the frequently asked questions (“FAQs”) to guide investors in gaining familiarity with the application process for subscribing to the rights issue of fully paid equity shares (“Issue” or “Rights Issue”) by **MARKOLINES PAVEMENT TECHNOLOGIES LIMITED** (“Company”) in terms of the letter of offer dated January 11, 2023 (“Letter of Offer”). 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 “Notice to Investors”, “Risk Factors”, “Terms of the Issue” on page 10, 17 and 81 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 at [www.bigshareonline.com](http://www.bigshareonline.com), Company at [www.markolines.com](http://www.markolines.com), and Stock Exchange [www.bseindia.com](http://www.bseindia.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?**

<b>Equity Shares being offered by the Company</b>	Upto 29,85,550 Equity Shares
<b>Issue Size</b>	Upto Rs. 4985.87 Lakh
<b>Rights Entitlements</b>	5 (Five) Equity Shares per every 32 (Thirty-Two) fully paid-up Equity Shares on the record date
<b>Record Date</b>	January 17, 2023
<b>Issue Price</b>	Rs. 167 per Rights Equity Share

*\*Assuming full subscription*

**2) What is the Issue schedule?**

**Issue schedule**

<b>Issue Opening Date</b>	January 27, 2023
<b>Last date for on-market renunciation of rights / Date of closure of trading of Rights Entitlements</b>	February 06, 2023
<b>Issue Closing Date</b>	February 09, 2023
<b>Finalising the basis of allotment with the Designated Stock Exchange (on or about)</b>	February 14 2023
<b>Date of Allotment (on or about)</b>	February 16, 2023
<b>Date of credit (on or about)</b>	February 20, 2023
<b>Date of listing (on or about)</b>	February 24, 2023

*\*Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).*

*\*\*Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before 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 Renouncees on or prior to the Issue Closing Date.*

*### 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. Further, no withdrawal of the Application shall be permitted by any Applicant after the Issue Closing Date.*

**3) What is the Rights Entitlement Ratio?**

The Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 5 (Five) Rights Equity Shares for every 32 (Thirty Two) Equity Shares held on the Record Date.

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

Amount payable at the time of Application is ₹ 167/- per Rights Equity Share (including a premium of ₹157/- per Rights Equity Share).

**5) What are Rights Entitlements?**

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as a Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., January 17, 2023, are entitled to the number of Rights Entitlements as set out in their respective Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.bigshareonline.com](http://www.bigshareonline.com)) 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.markolines.com](http://www.markolines.com)).

**6) How are Rights Entitlements (REs) issued?**

Rights Entitlements (REs) are issued in dematerialised form under a separate ISIN i.e., INE0FW020016

**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 by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

**8) 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, the Board will proceed to Allot the Equity 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 Renounees 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.

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'.

**9) 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. The Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.Bigshareonline.com>) 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., January 17, 2023 and PAN).

**10) What is the process for Renunciation of Rights Entitlements?**

- (a) On Market Renunciation The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as trading / selling Equity Shares of the Company.
- (b) Off Market Renunciation The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised 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.

**11) Whether any persons who are not existing shareholders of the issuer company as on 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 REs bought as well as additional Rights Equity Shares.

**12) 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 REs 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 REs purchased will lapse

**13) 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 Eligible Equity Shareholder can:

- i. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- v. renounce its Rights Entitlements in full.

**14) 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 **Applications made with payment using third party bank accounts are liable to be rejected.**

**15) Can a joint bank account be used to make applications on behalf of shareholders?**

Joint bank account can be used by the applicant provided they are joint holders in the Bank account.

**16) Can an application be made by cash / cheque?**

No.

**17) Can an application be made by visiting the Company or Registrar office?**

No.

**18) Can the broker collect the application form and submit the application?**

No.

**19) Does purchase of Rights Entitlement means the purchaser will automatically get Rights Equity Shares?**

The purchaser/investor acquiring Rights Entitlement on the floor of stock exchange or in the off-market transaction will not automatically get 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 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 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 Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.**

**20) 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 their ASBA Account

**21) How can an Investor understand that the Application has been successfully made?**

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

**22) How can an Investor understand if the Rights Equity Shares have been allocated?**

The Company and / or the Registrar will send Email Intimation (Allotment / Refund advice) to all the applicants who have been Allotted Rights Equity Shares.

**23) 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.bigshareonline.com](http://www.bigshareonline.com)

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 [www.bigshareonline.com](http://www.bigshareonline.com).

**24) 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 the Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or 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 the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges. 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.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date.

**For details of procedure for application by the Eligible Equity Shareholders holding Equity Shares as on the Record Date, see “Terms of the Issue” on page 81]of the Letter of Offer.**

**25) What is the process of Application by the Physical Shareholders?**

In accordance with the circular SEBI Circular 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. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar 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.* <https://rights.kfintech.com>) Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

**For further details, see “Terms of the Issue - Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 81 of the Letter of Offer.**

**26) Can shareholders holding Equity Shares in a physical form renounce their Rights Entitlement?**

In accordance with the circular SEBI Circular 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.

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

No, share certificates will not be provided to shareholder holding Equity Shares in a physical form.

**28) 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 Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only.

**29) What is the last date for providing the demat account details for getting the Rights Entitlements in such demat account?**

In accordance with the circular SEBI Circular 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.

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 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 Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

**30) Can shareholders holding Equity Shares in physical form apply through ASBA?**

Yes, only if the shareholders holding Equity Shares in physical form have provided 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.

**31) Can shareholders holding Equity Shares in physical form apply through plain paper application through ASBA?**

No

**32) 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 Applications made with payment using third party bank accounts are liable to be rejected.

**33) Can a joint bank account be used to make applications on behalf of shareholders?**



In case of joint holder Applications made through ASBA process, 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

**34) Can an application be made by cash / cheque?**

No

**35) Can an application be made by visiting the Company, Registrar?**

No.

**36) Can the broker collect the application form and submit the application?**

No.

**37) Is there any restriction on total investment amount / Equity Shares?**

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 Rights 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 Rights Equity Shares in accordance with the legal requirements applicable in such person's jurisdiction and India, without requirement for the Company or its affiliates to make any filing or registration (other than in India).

**38) Whether Overseas Investors can participate in rights Issue?**

The Rights Entitlements and the Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any United States state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America, its territories or possessions, any state of the United States and the District of Columbia (the "United States" or "U.S."), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Rights Entitlements and Equity Shares referred to in the Letter of Offer are being offered and sold in "offshore transactions" as defined in, and in compliance with, Regulation S under the U.S. Securities Act ("Regulation S") to existing shareholders located in jurisdictions where such offer and sale of the Equity Shares is permitted under applicable laws of such jurisdictions. The Offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States or as a solicitation therein of an offer to buy or transfer any of the said securities. Accordingly, you should not forward or transmit the Letter of Offer in or into the United States at any time.

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