

## Swiggy Limited CCPS FAQs

*Note: While we believe CCPS is a promising investment, there could be specific circumstances or considerations that might not be fully addressed here. We encourage you to seek professional advice tailored to your individual financial situation. Thank you, – team Investolane*

### 1. What are Compulsorily Convertible Preference Shares (CCPS)?

Compulsorily Convertible Preference Shares (CCPS) are a type of preference shares issued by a company with a **mandatory conversion feature**. The conversion of CCPS into Equity Shares is triggered by specific events such as - on a particular date, on the achievement of certain milestones, or on the occurrence of predefined events, like IPO. The conversion price is the price at which the CCPS are Converted into Equity Shares.

CCPS are a preferred mode of raising funds in Start-ups to ensure mutual benefits of founders, existing shareholders and incoming investors, and to protect their interests. CCPS are often issued in a series and can have multiple series numbers if the issuer has issued multiple CCPS', the ISINs for the different series would be different.

### 2. What is the difference between CCPS and Common Equity Shares?

CCPS has precedence over common equity shareholders in two ways:

- **Dividends:** CCPS holders receive dividends before equity shareholders.
- **Bankruptcy:** CCPS holders receive a return on their capital on a priority basis when compared to other shareholders.

CCPS may or may not carry voting rights. The terms of the CCPS agreement define whether the holders of CCPS have voting rights or not.

### 3. What are the features of Swiggy's CCPS?

Each CCPS of Swiggy is convertible into 1401 Common Equity shares (in short, the ratio is 1:1401).

While the shares are in the CCPS form, your Demat holdings will reflect 1 CCPS unit of either Series A: ISIN INE00H003028 or Series B: ISIN INE00H003036 or similarly till Series K: ISIN INE00H003234. Once they are converted to Common Equity shares, they will automatically reflect 1401 units but with ISIN of INE00H001014 which is for Swiggy Ltd. To get details info, download [Series J CCPS TnC \(pdf\)](#) from our website:

<https://investolane.in/swiggy>

More details about CCPS can be found here: [https://nsdl.co.in/master\\_search.php](https://nsdl.co.in/master_search.php)

Home : Company Search : Detailed Search

Statistics	
August 31, 2024	
Investor Accounts	3,76,29,366
DP Service Centres	62,832
Demat Custody Value	494.84 (₹ Lakh Crore) (US\$ 5900 billion)
<a href="#">More →</a>	

  

Master Search	
ISIN	<input type="text"/>
Company Name (You may enter a part of a string)	<input type="text" value="SWIGGY"/>
<input type="button" value="Search"/>	

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## 4. How and when do the shares get converted to Common Equity Shares?

- During IPO: CCPS typically will get **automatically** converted to common equity during the IPO process of the company.
- Within 20 Years: Investors must convert CCPS to common equity shares within a maximum of 20 years from issuance.
- At the request of Investor: An investor can reach out to the company to get their shares converted into Common Equity.

## 5. Is there a possibility that the CCPS don't get converted?

As mentioned above, since these shares are **Compulsorily convertible**, the shares would get converted to Common Equity at a certain point of time.

## 6. As a CCPS shareholder, will we get all the information regarding the company?

Yes, you will get all the information regarding the company.

## 7. Why are CCPS shares of Swiggy trading at a discount to its Common Equity share price?

CCPS shares of Swiggy are trading at a discount due to mainly 2 reasons:

- Less Supply of Common Equity shares of Swiggy.
- Higher ticket size like in the case of Swiggy where a new investor has to buy 1 lot which is 1401 equity shares.

## 8. What is the timeline for the delivery of Swiggy CCPS?

We expect to deliver the Swiggy CCPS units within a time frame of T+5 working days from the date of launching these shares on our platform. We will be having limited quantities on Swiggy and are seeing unprecedented demand for it and the price may increase based on the demand supply situation.

## 9. Can CCPS be sold off?

Yes, CCPS can be sold off in the open market. Having said that, do note that there is a liquidity risk in Unlisted CCPS/ shares.

**Liquidity Risk:** Since unlisted CCPS/ shares are not traded on an exchange, it is difficult to sell it. We suggest that an investor should not invest in unlisted equities with a mindset of trading or selling it in a short period of time. One should be prepared to hold it for a few years at least or until the IPO of the share.

## 10. What is the ISIN number and series of the CCPS we are offering?

The ISIN and series of the CCPS to you would: **SWIGGY LIMITED 0.01% SERIES J PREF 29AP40 (INE00H003176)**.

Once they are converted to Common Equity, the ISIN would be INE00H001014.

ISIN:	INE00H003176
ISIN Description:	SWIGGY LIMITED 0.01% SERIES J PREF 29AP40
Name Of Issuer:	SWIGGY LIMITED
Former Name(if any):	SWIGGY PRIVATE LIMITED
Security Type Description:	PREFERENCE SHARES
ISIN Status:	ACTIVE
Face Value (INR):	10.000
Address Of Issuer:	SWIGGY LIMITED,4TH FLOOR ANNEX BUILDING, MARUTHI CHAMBERS,SURVEY NO 17/9B, BEGUR HOBLI, ROOPENA AGRAHARA BANGALORE 560068.
Contact Person Details:	MR. CHARAN RAJ,LEGAL COUNSEL-I,NO.55 SY NO.8-14,EMBASSY TECH VILLAGE,DEVARABISANAHALLI,BENGALURU-560103 ,TEL NO.:9743700855,FAX NO.-,EMAILID(S):SECRETARIAL[at]SWIGGY.IN
Name of Registrar & Transfer Agent (RTA):	LINK INTIME INDIA PRIVATE LIMITED
RTA Business Partner (BP) ID:	IN200094
Address for Physical Certificate:	MR. CHARAN RAJ,LEGAL COUNSEL-I,BUNDL TECHNOLOGIES PRIVATE LIMITED NO.55 SY NO.8-14, EMBASSY TECH VILLAGE, DEVARABISANAHALLI, BENGALURU-560103
Tel. No.:	9743700855
Fax No.:	
Email ID(s):	
No. of demat requests pending for >21 days:	NOT APPLICABLE
Services stopped by RTA:	NO

## 11. Will the CCPS be seen in my Demat account?

Yes, the CCPS will be seen in your Demat account like any other unlisted shares. You can check your Demat account with the ISIN of the CCPS that you have purchased.

## 12. Can NRI's invest in CCPS via NRO?

NRI's can invest in CCPS only via their NRO demat and bank accounts. Investing via NRE demat and bank accounts is not allowed.

## 13. What will be the taxation implications of CCPS?

When CCPS get converted to Equity Shares: Conversion of CCPS into equity shares is not considered as a taxable transfer under Income Tax.

Cost of acquisition for the purpose of computation of capital gain takes the cost incurred for the purchase of original preference shares.

Post conversion into Equity Shares, they will be treated as Equity shares for the purpose of Capital Gains taxation.

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## If you sell the shares while they are unlisted:

STCG (Short Term Capital Gains): Unlisted shares held for less than 24 months are considered as short term and gains are taxed as per the investor's tax slab for the year.

LTCG (Long Term Capital Gains): Unlisted shares held for more than 24 months are considered as long term in nature and gains are taxed at 12.5% (no indexation available).

Securities Transaction Tax or STT are not applicable to transactions involving unlisted shares. It is only levied on transactions that are executed on recognized stock exchanges in India.

If you sell the shares once they are listed through an exchange, then STT will be applicable. Shares held over 1 year would be classified as long term and would be taxed at 12.5% without indexation.

In case you are interested in knowing more please contact us.

**Note:** There can be still some remaining points regarding CCPS, we advise you to consult with your financial advisor before investing.

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## DECLARATION OF RISK:

Investments in unlisted equity shares and CCPs are subject to market risks, read all the related information carefully before investing.

1. General risk of investing in private equity shares:
  - *Liquidity risk*: Investment in unlisted equity shares has no guaranteed exit value, timeline, principal or returns.
  - *Loss of principal*: Investment in unlisted equity shares could cause the loss of an entire or substantial amount of principal.
  - *Valuation risk*: Investment in unlisted equity shares has limited market history for validating entry and exit valuation.
2. It is agreed between the parties (company and client) that all benefits attached to the security(s) till date of transfer of security, by Investolane to client, shall be retained by Investolane.
3. Unlisted equity shares have a lock-in period of six months after listing shares on stock exchanges.
4. The final IPO & Listing price of unlisted company is based on many factors beyond our control, Investolane and its employees and associates don't guarantee a confirmed IPO of any unlisted company nor guarantee any listing gains/returns. Investors should use their own judgment and adequate caution before investing in unlisted shares.
5. The decision to invest in the shares/securities mentioned herein above is at your sole discretion, Investolane and/or its officials have not made any representation/assurance regarding marketability, price, or liquidity of the shares.
6. Investolane is an intermediary for buyers & sellers to finalize unlisted equity shares deals & does not control the share price for any company.
7. Unlisted equity shares are not listed on any Stock Exchange platform and are illiquid.
8. The decision to invest in the Unlisted equity shares mentioned herein above is at your sole discretion.
9. Company refers to Investolane; client refers to the buyer.
10. You confirm that you have accessed and read the Declaration of Risk in its entirety on our website:  
<https://investolane.in/declaration-of-risk>

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## ABOUT US:

Investolane is a platform that enables buying and selling of pre-IPO shares and unlisted stocks in India. It connects buyers and sellers of unlisted shares, allowing them to invest and trade in a transparent and secure manner.

Investolane is an authorized stockbroker for Reliance Securities Limited in Dehradun. It is registered on NSE as an authorized person. Investolane uses Reliance Securities' platforms & tools to help in share trading in Equity & Derivative segments.

All buying and selling of unlisted equity shares deals with Investolane must be finalized and confirmed only on registered call/WhatsApp number [**+91 9675532143**] and/or email id [**connect@investolane.in**]. All business-related payments should ONLY be transferred to the company-registered bank account only. Investolane will **NOT** process any deals finalized on any other number and/or email id or payments transferred to any other bank details.

Below is the list of our social media channels. Do subscribe to receive regular updates.

- Website: [www.investolane.in](http://www.investolane.in)
- Instagram: <https://www.instagram.com/investolane>
- Twitter: <https://www.twitter.com/investolane>
- Facebook: <https://www.facebook.com/investolane>
- LinkedIn: <https://www.linkedin.com/investolane>
- Telegram Channel: <https://www.telegram.me/investolane>
- WhatsApp: <https://t.co/cJ4LPZ9o02>
- Email: [connect@investolane.in](mailto:connect@investolane.in)

Frequently Asked Questions related to Unlisted Shares: <https://investolane.in/faqs>