

Compulsory Dematerialisation of Shares

Amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

By SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 and BSE Circular No. LIST/COMP/15/2018-19 dated 5th July 2018, all listed companies have been directed to record the PAN and Bank account details of all their shareholders and advise them to dematerialise their physical securities.

By Gazette notification dated June 8, 2018, SEBI has mandated that transfer of securities would be carried out in dematerialised form only with effect from December 5, 2018.

Accordingly your Company has initiated steps for registering the PAN details (including those of joint holders if any) and the BANK ACCOUNT details of all the registered shareholders and has made special effort through its RTA to send a letter under Registered/Speed post to the holders of physical certificates, apprising them about the amendment and sensitise them about the impact of the regulation on the transfer of shares held by them in physical form.

Listed Companies and their Registrars and Transfer Agents (RTAs) have been instructed to ensure that with effect from December 5, 2018, shares which are lodged for transfer shall be in dematerialised form only.

The aforesaid BSE Circular may be accessed at

<https://www.bseindia.com/corporates/Displaydata.aspx?Id=cd22b184-1153-4b05-8ad9-d04699161f89&Page=cir>

Dematerialisation (or Demat) signifies the conversion of a share certificate from its present physical form to electronic form for the same number of holdings. It offers scope for paperless trading through state-of-the-art technology, whereby share transactions and transfers are processed electronically without involving any share certificate or transfer form. No stamp duty is payable on transfer of shares in demat form. Demat attempts to avoid the time consuming and complex process of getting shares transferred in the name of buyers and also aims to bypass inherent problems of bad deliveries, delay in processing / fraudulent interception in postal transit, etc.

The operations in the Depository System involve the Depositories, Depository Participants, Company/Registrars and Investors. A Depository Participant ("DP") is the agent of the Depository and is the medium through which shares are held in the electronic form. They are also the representatives of the Investor, providing the link between the Investor and the Company/ RTA through the Depository.

The Depository Systems in India are NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited).

Procedure for Dematerialisation of Securities

- Opening of a demat account.

A shareholder has to open a beneficiary account (BO), with a depository participant, popularly called a DP. A DP is an agent, who interacts with the depository. A bank can be a depository participant. *(The shareholder's demat account, should be in the same name as the ownership in physical form).*

- Once the demat account is opened, the shares can be dematerialised by submitting a Dematerialisation Request Form (DRF) and surrendering the certificates of the shares to be dematerialised, to the depository participant along with the DRF.
 - Upon submission of the DRF, the DP carries out the necessary verification.
 - In case the securities are not in order, they will be returned to the shareholder.
 - In case the securities are in order, the DP defaces the share certificate(s) with the words “Surrendered for Dematerialisation”, and records the dematerialisation request in the Depository system by generating a Dematerialisation Request Number (DRN). This DRN number, is entered on the Dematerialisation Request Form (DRF) and is sent along with physical documents (identity and address proof / share certificates), to the Registrar and Transfer Agent of the Company (RTA), along with a standard covering letter.
 - The RTA sends an acknowledgement letter to the DP confirming receipt of the dematerialisation request.
 - After necessary verification of the dematerialisation request, the RTA shall process and confirm the same in the Depository System and updates all relevant records.
- Note: In the event of any discrepancy in the dematerialisation request, the RTA sends an appropriate communication to the DP, with a copy marked to the shareholder, for rectification of such discrepancy.*
- The shares, upon confirmation of the dematerialisation request by the RTA, are credited to the demat account of the shareholder electronically through the Depository System.
 - The RTA then sends a letter to the shareholder informing him/her about dematerialisation of the shares.
 - The demat account of the shareholder with the depository participant (DP) is credited with the dematerialised shares.

Address and Telephone number of the Depositories :

National Securities Depository Limited.		Central Depository Services (India) Limited.	
Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.		Marathon Futurex, Unit No. 2501, 25th Floor, A-Wing, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel, Mumbai 400 013.	
Telephone no.	022-2499 4200	Telephone no.	022-2302 3333
Facsimile nos.	022-2497 6351	Facsimile nos.	022-2305-8640
e-mail	info@nsdl.co.in	e-mail	helpdesk@cDSLindia.com
website	www.nsdl.co.in	website	www.cDSLindia.com

The names of the DPs registered with NSDL and CDSL are available on their respective website.

