

Attention - Members holding shares in physical form

Please be informed that vide Gazette Notification Dated June 8, 2018 amending Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no transfer of securities (equity shares) shall be processed after April 1, 2019, unless such shares are held in the dematerialized form with a depository. Therefore, we request you to dematerialize your shareholding in the Company.

Guidance Note on how to dematerialise the Shares to the Shareholders

Dematerialisation is the process by which the shareholder (registered owner) get physical certificates converted into electronic form.

Purpose of dematerialization

- Dematerialization offers flexibility along with security and convenience.
- Holding share certificates in physical format carried risk like certificate forgeries, loss of important share certificates and consequent delays in certificate transfers.
- Dematerialization eliminates these hassles by allowing customers to convert their physical certificates into electronic format.
- Shares in the electronic format are held in a Demat Account.

Benefits of Dematerialization

- Being paperless transaction in securities, it allows shareholder to conveniently manage his/her shares and transactions from anywhere.
- Stamp duty is not levied on your electronic securities (i.e. Share Certificate/s).

Process of Dematerialization

- Dematerialization starts with opening a Demat Account. For demat account opening you need to shortlist a Depository Participant (DP) that offers Demat Service. Currently, there are two depositories registered with SEBI, they are (i) National Securities Depository Limited (NSDL) and (ii) Central Depository Services (India) Limited (CDSL). A DP is the agent of the depository providing depository services to traders and investors. Many banks, companies are registered as DP, you may consult your bank to know more DPs and to open a demat account with appropriate DP.
- To convert the physical shares into electronic/demat account form, you (shareholder) will submit a request to the DP in the Dematerialization Request Form (DRF) for dematerialization, along with the share certificates to be dematerialized, which is available with the Depository Participant (DP). Before submission, the client has to deface the share certificate by writing 'SURRENDERED FOR DEMATERIALIZATION'.
- In case the securities are not in order they are returned to the shareholder and acknowledgement is obtained. The DP will reject the request and return the DRF and certificates in case:
 - A single DRF is used to dematerialise securities of more than one company.

- The certificates are mutilated, or they are defaced in such a way that the material information is not readable. It may advise the client to send the certificates to the Issuer/R&T agent and get new securities issued in lieu thereof.
 - Part of the certificates pertaining to a single DRF is partly paid-up; the DP will reject the request and return the DRF along with the certificates. The DP may advise the client to send separate requests for the fully paid-up and partly paid up securities.
 - Part of the certificates pertaining to a single DRF is locked-up, the DP will reject the request and return the DRF along with the certificates to the client. The DP may advise the client to send separate requests for the locked-in certificates. Also, certificates locked-in for different reasons should not be a submitted together with a single DRF.
- The DP needs to process this request along with the share certificates to the company and simultaneously to registrars and transfer agents through the depository.
 - Once the request is approved, the share certificates in the physical form will be destroyed and a confirmation of dematerialization will be sent to the depository. The depository will then confirm the dematerialization of shares to the DP. Once this is done, a credit in the holding of shares will reflect in the investor's account electronically.
 - This cycle takes about 15 to 30 days after the submission of dematerialization request.
 - Dematerialization is possible only with a Demat Account.

Role of Depository Participants

A depository is responsible for holding the securities of a shareholder in the electronic form. These securities could be in the form of bonds, government securities and mutual fund units, which are held by a registered Depository Participant (DP).
