

TRANSFER OF SHARES ONLY IN DEMATERIALIZED FORM

With reference to the amendment in Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI vide notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that the transfer of securities to be carried out only in dematerialized form .

However, on the basis of representations received from shareholders for extension of the date of compliance for transfer of securities only in Demat Form, SEBI has vide its “Press Release” PR. No. 49/2018 dated December 3, 2018, extended the deadline to comply with the requirement of transfer of securities only in Demat Form, which shall now come into force from April 1, 2019.

The said restriction is however not applicable on transmission (i.e. transfer of title of shares by way of inheritance/ succession) and transposition (i.e. re arrangement/ interchanging of the order of name of the shareholders) of securities.

With a view to facilitate seamless transfer of securities in future, investors holding securities in physical form are requested to dematerialize their shareholding in the Company. The Procedure for Dematerialization is as follows:

- Open a demat account with a Depository Participant (‘DP’)
- The member need to submit a request to the DP in the Dematerialisation Request Form (‘DRF’) for dematerialisation, along with the original share certificate. Before submission, the Member/DP has to deface the said certificate by writing "SURRENDERED FOR DEMATERIALISATION".
- The DP will verify the DRF and share certificates, if the form is in order, the DP will issue an acknowledgement slip duly signed and stamped, to the Member.
- The DP will scrutinize the form and the certificates. This scrutiny involves the following:
 - a. Verification of Member's signature on the dematerialisation request with the specimen signature (the signature on the account opening form). If the signature differs, the DP should ensure the identity of the Member.
 - b. Compare the names on DRF and certificates with the Member account.
 - c. Paid up status
 - d. ISIN (International Securities Identification Number)
 - e. Lock - in status
 - f. Distinctive numbers
- In case the DRF and the supporting documents are not in order, the DP will reject the request and return the DRF and certificates to member.
- In case the DRF and the supporting documents are in order, the details of the request as mentioned in the form are entered in the software provided by the Depositories and a Dematerialisation Request Number (‘DRN’) will be generated by the system. Later, the request is forwarded to the Depository

- The Depository forwards the request to the Company/ Registrar and Transfer Agent ('RTA').
- Simultaneously, DP will then dispatch the certificates along with the DRF to the Company/ RTA.
- The Company/ RTA confirms acceptance of the request for dematerialisation and the same will be forwarded to the Depository, if the request is found in order.
- The Depository will create appropriate credit balances in the Member's account and inform the same to the DP. The DP shall further inform the Member.
- The Company/ R&T may reject dematerialisation request in some cases. The Company or its RTA will send an objection to the DP, with or without DRF and share certificates depending upon the reason for rejection. The DP/Member has to resolve the objection within 15 days of receiving the objection. If the DP fails to remove the objections within 15 days, the Company or its RTA may reject the request and return DRF and accompanying certificates to the DP.