

Amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with respect to mandatory dematerialization for transfer of securities

The BSE Ltd has recently, issued a Circular dated July 05, 2018 to all listed Companies, informing about amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only.

According to the aforesaid notification, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares.

Shareholders please note that If you already have a demat account, you can submit the original share certificate, received after transfer, to your DP for dematerialisation. If you do not have any demat account, kindly open the same with any of the depository participant (DP) who have connectivity with NSDL / CDSL and submit your share certificate for demat. You can approach your banker to open demat account.

Process of dematerialization of shares:

- Open a demat account with DP of your choice in which the shares will be maintained electronically.
- Submit a request to the DP in the Dematerialisation Request Form for dematerialisation, along with the certificates of securities to be dematerialised.
- DP will verify the share certificates and whether the Dematerialisation Request Form has been filled correctly.
- DP then sends the Dematerialisation Request to concerned Depository i.e CDSL or NSDL.
- DP will deface and mutilate the physical certificates then dispatches the certificates to the Company's Registrars and share transfer agents at Cameo Corporate Services Ltd Subramaniam Building, V Floor No.1, Club House Road Chennai 600 002 Tel: +91 44 4002 0741
- On receipt of the demat request and share certificate the genuineness of the certificates are verified and demat request is confirmed.

- On confirmation of request by the Company's Registrars and share transfer agents the Depository will confirm the same to the DP and an equivalent number of securities is credited in the demat account opened with DP.

Benefits of dematerialization:

- Safer than paper-shares (risks associated with physical certificates such as bad delivery, fake securities, delays, thefts etc. are mostly eliminated)
- No stamp duty on transfer of securities.
- The lack of paperwork enables quicker transactions and higher efficiency in trading.

You may also visit the following website links of CDSL and NSDL to know more about dematerialization process:

CDSL: <https://www.cdslindia.com/downloads/faq/Demat%20CDSL%20Way%20-%20V%20-%20Dematerialization.pdf>

NSDL: <https://nsdl.co.in/services/demat.php>