

Dear Shareholders,

Please be informed that Securities and Exchange Board of India (SEBI) vide its notification dated June 8, 2018 amended SEBI (LODR) Regulations effective from December 5, 2018 (i.e., the 180th day of the notification date) and vide the said amendment it has been mandated that "transfer of securities shall not be processed unless they are held in the dematerialized form with a depository".

In this regard, we advise you to get your shares dematerialized, if held in physical form, at the earliest possible, as after 5th December, 2018, no transfer of shares held in physical form will be processed. We have enclosed below the detailed procedure to dematerialize the shares. You may also write at e-mail id : einward.ris@karvy.com to seek any further clarification in this regard.

Demat Shares

Q What is Dematerialisation and what are the benefits of dematerialisation?

A Dematerialisation means the conversion of a physical share certificate to electronic form representing the same number of shares held.

Prior to the dematerialisation era, shares were held in physical form by shareholders. They were sold physically and were sent to the companies for transfer which was then manually done on the reverse of the physical share certificate.

With the evolution of information technology, voluminous and cumbersome paper work involved in the scrip based system has been eliminated through dematerialisation of shares and automation of the process of transactions.

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 deed after the share certificates have been converted from physical to electronic form.

Dematerialisation attempts to avoid the time consuming and complex process of getting shares transferred in the name of buyers and also aims to shirk inherent problems of bad deliveries, duplication frauds, delay in processing/ fraudulent interception in postal transit etc.

Dematerialisation of shares is optional and an investor can still hold shares in the physical form. However, he/ she has to dematerialise the shares if he/ she wishes to sell the same through the Stock Exchanges. Similarly, if an investor purchases shares, he/ she will get delivery of the shares in dematerialised form.

The Depositories Act, 1996 has been enacted to regulate matters related and incidental to the operation of Depositories and dematerialisation operations. In India, there are

2 Depositories in operation :

- National Securities Depository Limited (NSDL) and
- Central Depository Services (India) Limited (CDSL).

Q How does the Depository System operate?

A The operations in the Depository System involve the participation of a Depository, Depository Participants, Company/Registrars and Investors. The company is also called the Issuer.

The securities of investors are held in electronic form in a Depository (NSDL and CDSL) through Depository participants.

A Depository Participant is the agent of the Depository and is the medium through which shares are held in electronic form. They are also the representatives of the investor, providing the link between the investor and the Company through the Depository.

The transfer of securities occurs without the actual physical handling of securities. The Depository is accountable for the safe keeping of securities. The company signs an Agreement with NSDL/CDSL (the depositories) and installs the necessary hardware / software for operations.

Q How to dematerialise shares?

A The process flow is enumerated below :-

- Investor is required to have an account with a Depository Participant (DP) and a Unique Client ID (provided by the DP on opening an account)
- A Dematerialisation Request Form (DRF) is required to be completed and the physical shares intended to be dematerialised have to be surrendered to the DP
- On receipt of the shares and the DRF, the DP will send an electronic request through the Depository to the Company for confirmation of dematerialisation. Each request will bear a unique transaction number.
- DP will surrender the DRF and the shares to the Company with a covering letter requesting the Company to confirm the dematerialisation. After verifying the documents received from the DP, the Company will confirm the dematerialisation to the Depository.
- This confirmation will be passed on from the Depository to the DP. After receiving confirmation from the Depository, the DP will credit the account of the investor with the dematerialised shares.

The DP will then hold the shares in the dematerialised form on behalf of the investor and the investor will become the beneficial owner of these dematerialised shares.

Q Is dematerialisation compulsory?

A Dematerialization is not compulsory.

According to the Depositories Act, 1996, an investor has the option to hold shares either in physical or in dematerialised form.

Q Can dematerialized shares be converted into physical shares?

A If the shares are held in the electronic form, the shares can be converted to physical form by Rematerialisation Request Form (RRF) through your DP. Upon receiving such a request from your DP, the Company will issue share certificates for the rematerialised shares.

Q What are the charges to be paid to dematerialise physical shares?

A The charges for dematerialising have to be borne by the shareholder. The charges differ from one DP to another.

Q I have purchased shares in physical form. Can I directly give the share certificates to my Depository Participant for dematerialising them in my favour?

A Shares should be registered in your favour before they can be dematerialised. For this purpose you need to lodge the share certificates and a duly executed transfer deed with the company. Once the share transfer is processed, we will send an option letter for dematerialising your shares. You can then give us your Dematerialisation Account No. with the Dematerialisation Request form for the dematerialising process through your DP and the shares will be directly credited to your Dematerialised Account.