

CALCOM VISION LIMITED

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RESTRICTION ON TRANSFER OF PHYSICAL SHARES & PROCEDURE FOR DEMATERIALIZATION OF SHARES

Amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to mandatory dematerialization for transfer of securities.

The 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.

In order to implement the above amendment, BSE Limited has issued a circular dated July 5, 2018 to carry on certain activities which includes informing Members of the Company that the Registrars and Share Transfer Agent and Company will not be accepting any request for transfer of shares in physical form with effect from March 31, 2019.

This restriction shall not be applicable to the request received for transmission or transposition of physical shares.

Members may access the said BSE Circular dated July 5, 2018 at the following weblink:

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

In line with the above, the Company has issued reminders requesting Members of the Company to dematerialize their shares. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a demat account or alternatively, contact M/s Abhipra Capital Limited., our RTA to guide you in the dematerialization procedure. (Regd. Office: Ground Floor-Abhipra Complex, A-387, Dilkhush Industrial Area, G.T. Karnal Road, Azadpur, Delhi-110033. E-mail: info@abhipra.com)

You can review process of dematerialization of shares at the following link:

- Process for Dematerialization of shares
- FAQs on Dematerialization of shares

You may also visit web site of depositories viz., NSDL or CDSL for further understanding about the dematerialization procedure:

NSDL website under section dematerialization: <https://nsdl.co.in/services/demat.php>

- CDSL website: <https://www.cdslindia.com/investors/open-demat.aspx>

Members holding shares in physical form are requested to arrange the dematerialization of the said shares at earliest to avoid any inconvenience in future for transferring those shares.

PROCEDURE FOR DEMATERIALISATION SHARES

Dematerialisation (Demat) is the process by which securities held in physical form evidencing the holding of securities by any person are cancelled and destroyed and the ownership thereof is entered into and retained in a fungible form on a depository by way of electronic balances.

The two depositories presently functioning in India are National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). SEBI has notified various companies, whose shares shall be traded in demat form only. By virtue of such notification, the shares of the Company are also subject to compulsory trading only in demat form on the Stock Exchanges.

A. Benefits of Dematerialising the share certificate

- Elimination of bad deliveries;
- Elimination of all risks associated with physical certificates;
- Avoidance of stamp duty on transfers Immediate transfer / trading of securities
- Faster settlement cycle;
- Faster disbursement of non cash corporate benefits like rights, bonus, etc.;
- SMS alert facility;
- Lower brokerage is charged by many brokers for trading in dematerialised securities;
- Periodic status reports and information available on internet;
- Ease related to change of address of investor;
- Elimination of problems related to transmission of demat shares;
- Ease in portfolio monitoring;
- Ease in pledging the shares.

B. How to dematerialise the shares?

1. Demat opening procedure in detailed manner:

First and foremost step:

You have to open a demat account with the Depository Participant, shortly abbreviated as DP. The DP is usually a share broker who acts as an intermediary between you and the bank.

As you are the beneficiary of the demat account, you will have to get the account opening form duly filled. You will have to fill in your bank account details clearly and legibly. Bank details include your bank account number, IFSC code, name of the bank and branch, address of the branch, etc.

2. How to transfer your share certificate into demat format?

This is the second most important step in operating your demat account. The process is quite simple.

1. Submit Demat Request Form (DRF) as given by the DP, duly signed by all the holders with the names and signatures in the same order as appearing in the concerned certificate(s) and the Company records along with the share certificate(s).

2. Once the applicant submits the DRF Form, your share certificates will be verified by the concerned authorities. Upon verification, the DRF team converts all your physical share certificates into their electronic form. It takes approximately 2-3 weeks for the conversion.

3. What happens next?

Once all your physical share certificates are converted into electronic form, the DP will provide a confirmation statement of holdings. Statement of holdings is sent by the DPs from time to time. Presently confirmation is given by DPs on an immediate basis through email or sms facilities.

4. Register for SMS alert facility

NSDL and CDSL have launched SMS Alert facility for demat account holders whereby shareholders can receive alerts for debits (transfers) in their demat accounts and for credits in respect of corporate actions for transfers, IPO and offer for sale. Under this facility, shareholders can receive alerts, a day after such debits (transfers) / credits take place. These alerts are sent to those account holders who have provided their mobile numbers to their DPs.

C. How Company does pay dividend on Dematerialised shares?

The dividend warrants in respect of all shares, whether held in electronic form or by way of share certificates, are sent by the Company directly to the shareholders whose names are on the Company's register of members or in the electronic form under the depository system on the designated date to be notified by the Company.

While opening Accounts with Depository Participants (DPs), shareholders are required to give details of their bank Accounts, which will be used by the Company for direct credit of the dividend to the respective accounts.

D. How transactions are effected through the Depository

- After you open an account with a DP, you can buy or sell shares in the electronic form without share certificate or transfer forms, provided the seller/ buyer also holds shares in the electronic form.
- You can sell the shares in the depository mode through any share broker. All you need to do is to provide him the details of your account with the DP, with a delivery instruction to debit your share account with the number of shares sold by you.
- When you buy shares in the depository mode, you must, similarly, inform the broker about your depository account details so that the shares bought would be credited to your account with the DP

FAQs on Dematerialization of Shares

Q. 1 What is Demat and what are its benefits?

Dematerialization ('Demat' in short form) signifies conversion of a share certificate from its present physical form to electronic form for the same number of holding. 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 form to electronic form. Demat attempts to avoid the time consuming and complex process of getting shares transferred in the name of buyers as well its inherent problems of bad deliveries, delay in processing/ fraudulent interception in postal transit, etc.

Q. 2 How does the Depository System operate?

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.

A Depository (NSDL and CDSL) is an organization like a Central Bank, i.e. Reserve Bank where the securities on an investor are held in electronic form, through Depository participants.

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

To draw analogy, the Depository system functions very much like the banking system. A bank holds funds in accounts whereas; a Depository holds securities in accounts for its clients. A bank transfers funds between accounts whereas; a Depository transfers securities between accounts.

In both systems, the transfer of funds or securities happens without the actual handling of funds or securities. Both the banks and the Depository are accountable for safe keeping of funds and securities respectively.

Q. 3 How do I demat my shares?

First, you will have to open an account with a Depository Participant (DP) and get a unique Client ID number. Thereafter, you will have to fill up a Dematerialization Request Form (DRF) provided by the DP and surrender the physical shares, which you want to be dematted to the DP.

The DP upon receipt of the shares and the DRF, will send an electronic request to the company's registrar and share transfer agent through the Depository for confirmation of demat. Each request will bear a unique transaction number. The DP will simultaneously surrender the DRF and the shares to the company's registrar and share transfer agent with a covering letter requesting the registrar and share transfer agent of the company to confirm demat. The company's registrar and share transfer agent after necessary verification of the documents received from the DP, will confirm demat to the Depository.

This confirmation will be passed on from the Depository to the DP, which holds your account. After receiving this confirmation from the Depository, the DP will credit the account with the shares so dematerialized. The DP will hold the shares in the dematerialized form thereafter on your behalf. And you will become beneficial owner of these dematerialized shares.

Q. 4 What are the charges to be paid to demat one's physical shares? Will the company pay it or do I have to pay for it?

The charges differ from DP to DP and therefore you will have to contact your DP for the same. The charges for demat have to be borne by the shareholder.

Q. 5 I have purchased some shares in Physical (paper) form. Can I directly give the share certificates to my Depository Participant for dematting them in my favor?

Prior to demating your shares, they have to be registered in your favor. Hence, you have to necessarily lodge the share certificates with a duly executed transfer deed with the company's registrar and share transfer agent. Once the shares so purchased are transferred, the shareholder can lodge the same for demat to DP.

Q. 6 Is it a fact that Strides shares are to be traded compulsorily in Demat Form? Do I have the option of holding them in physical form?

Yes. The shares of the company are to be compulsorily traded in demat form. BSE has issued a Circular to Listed Companies on July 05, 2018 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.

Q. 7 How do I get my dividends on dematted shares? Will I get the Annual Report after I demat my shares and would I be able to attend the AGM?

The Depository Participants will give the list of demat account holders and the number of shares held by them in electronic form on the Record date to the company (Beneficiary Persons, known as Benpos in short). On the basis of Benpos, the company will issue dividend warrants in favor of the demat account holders.

The rights of the shareholders holding shares in demat form are at par with the holders in physical form. Hence you will be eligible to get the Annual Report and will have the right to attend the AGM as a shareholder.

Q. 8 What are the chances of any fraud/ disputes in using a demat account? Whom should I approach in such cases?

Common risk factors applicable to trading in physical shares like mismatch in signatures, loss in postal transit, etc., are absent since the dematted shares are traded scrip less.

However, in the unlikely event of any other dispute, the concerned Stock Exchange and/ or Depository Custodian viz. NSDL/ CSDL or SEBI would have to be approached for resolving such issues.

Q.9 Can I pledge my shares in demat form for the purpose of availing any funding/loan arrangement with my bankers?

Yes. You will have to contact your DP for this.

SEBI vide [Gazette notification no. SEBI/LAD-NRO/GN/2018/24](#) dated June 08, 2018 has amended the provisions of Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which provides that except in case of transmission or transposition of securities request for transfer of share shall not be processed unless shares are held in dematerialized form with depository.

The provision was to come into effect from **December 05, 2018**.

Subsequently [SEBI vide its Press Release no. 49/2018](#) dated December 03, 2018 has extended the deadline for transferring of securities in physical form till March 31, 2019.

From the above notification we can conclude that no shareholder will be able to transfer any shares of the Company held in physical form after March 31, 2019 unless shares are held in dematerialized form.

You are therefore requested in your own interest get in touch with any Depository Participant having registration with SEBI to open a Demat account in order to get your shares dematerialized.

Further with reference to [BSE Circular no. LIST/COMP/15/2018-19](#) dated July 05, 2018 in order to implement the above provisions effectively your Company through Abhipra Capital Limited (Registrar and Transfer Agent) has sent under registered post / speed post two letters to all the shareholders at their registered address holding shares in physical form on ----- and ----- respectively.

For any further information in respect of the above subject please get in touch with our Registrar and Transfer Agent at the below mentioned address:

Abhipra Capital Limited
Ground Floor-Abhipra Complex,
A-387, Dilkhush Industrial Area,
G.T. Karnal Road, Azadpur,
Delhi-110033
Ph.: +91- 11-23414629,
E-mail: info@abhipra.com

Shareholders can access various aspect of dematerialization under the following heads:

A. Procedure for Dematerialization

1. Shareholder holding shares in the physical form has to submit a request to the Depository Participant (DP) [with whom shareholders have opened their Demat A/c] in Dematerialisation Request Form (DRF) for dematerialization along with certificate of securities to be dematerialized after defacing the certificate by writing **“SURRENDERED FOR DEMATERIALISATION”**.
2. The DP after scrutinizing the form and the certificate will issue an acknowledgement slip duly signed and stamped to the shareholder.
3. DP will reject the request and return the DRF and Certificate if while verifying the documents it came across any deficiency in the DRF or Share Certificate.
4. In case if everything is in order then DP will update the information in its software provided by Depository. After uploading the data, the software will automatically generate a Dematerialization Request Number (DRN).
5. DP will electronically send the DRF (with DRN mentioned on it) to the Registrar and Transfer Agent/Company. The DP will also dispatch the certificate along with DRF to the RTA/Company for verification and approval
6. The Company/RTA will, after due verification of DRF and certificates, confirm acceptance of the request for dematerialization in the necessary software.
7. The Depository’s software system will then electronically create and credit appropriate number of shares in the shareholder’s demat account.
8. The DP will inform the shareholder of changes in the shareholder’s demat account following the confirmation of DRF.

B. Procedure for Transmission (Name Deletion) and Dematerialisation to be done together

In case of joint holdings, on the death of any one or more of the joint holder(s), the surviving joint holder(s) can get the name(s) of the deceased deleted from the physical certificate(s) and get the securities dematerialised by following the procedures mentioned below:

- Any one or more of the joint holder(s) has to make a request to the DP for deleting the name(s) of the deceased as per Transmission Form.
- Further any one or more of the joint holder(s) has to submit a DRF including security certificates along with the documents mentioned above to the DP.
- On receipt of the documents mentioned above, the DP will scrutinise the particulars of the documents with its records.
- The DP shall forward all the documents to the Company or its R & T Agent after verifying the same..

- On being satisfied with the documents received, the Company or its R & T Agent shall carry out the process of name deletion and then process the dematerialisation request, as per the aforesaid procedure.

C. Processing of Demat Requests in Case of Account Holders Name not Matching exactly with Physical Certificate

- It was decided in the meeting held by SEBI on December 17, 1998, that demat requests received from client(s) with name(s) not matching exactly with the name(s) appearing on the certificates merely on account of initials not being spelt out fully or put after or prior to the surname, should be processed, provided the signature(s) of the client(s) on the DRF tallies with the specimen signature(s) available with the Issuers or its R & T Agent.

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account with the shares so dematerialized. The DP will hold the shares in the dematerialized form thereafter on your behalf and you will become beneficial owner of these dematerialized shares.

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