

1. What is Dematerialization?

The process of converting securities (i.e. shares, bonds etc.) held in physical form into electronic form is known as dematerialization. Under this process securities held by an investor in physical form are converted to an equal number of securities in electronic form and credited into the investor's demat account maintained by him with his Depository Participant (DP).

2. What are the advantages of holding securities in dematerialized form?

The advantages of holding securities in dematerialized form are as following:

- Convenient mode of holding securities, especially in case you are holding shares of many companies.
- Immediate transfer of securities.
- No stamp duty is payable on transfer in demat mode
- Elimination of risks such as bad delivery, fake securities etc.
- Reduction in paper work & Transaction cost.
- Saving of time – Change in address / bank account particulars etc. recorded with DP gets registered electronically with all companies in which the investor holds securities.
- Facilitates direct credit of shares in case of allotment under IPO, Rights, Bonus, Split etc.

IN VIEW OF THE ADVANTAGES OF HOLDING SHARES IN DEMATERIALIZED FORM, SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO KINDLY CONSIDER DEMATERIALISING THE SAME AT THE EARLIEST.

3. Why should I demat shares of HDFC? Is dematerialization compulsory for trading in Equity Shares?

SEBI has made it compulsory for all investors to settle their trades in Equity shares only in electronic form. Hence, shareholders intending to trade in Equity shares are required to hold the same in electronic form.

4. How can I dematerialize my share certificate(s)?

Procedure for dematerialising the shares held in physical form is provided here under:

- **Open** a Beneficiary Account with a DP registered with SEBI and with any one of the Depositories i.e., NSDL or CDSL.
- **Submit** the Dematerialization Request Form (DRF) (in triplicate) to your DP duly filled in and signed, along with share certificate(s) in original and other requisite documents.

- o **Obtain** an acknowledgement from your DP.
- o On receipt of aforesaid DRF, your DP will generate a Dematerialization Request Number (DRN) and will electronically transmit the same to HDFC through the concerned Depository.
- o Simultaneously, DP will send the physical certificate(s) with the original DRF to RTA for verification and confirmation.
- o The Corporation, on receipt of DRF and share certificate(s), will process the said request.

NOTE: Therefore, under no circumstances should you submit your DRF and the share certificate(s) directly to Company.

5. **Can shares held jointly in physical form be dematerialised, if the sequence of names mentioned in certificate differs from the sequence of names as per demat account?**
Yes, for this purpose you need to submit duly signed Transposition form along with the DRF and share certificate(s) to your DP.
6. **Is pledge of dematerialized shares possible?**
Yes, dematerialised shares can be pledged for the purpose of availing of any loan/ credit facility or collateral arrangement with banks/ financial institutions.
7. **Are shareholders holding shares in dematerialized form, eligible to receive Annual Report and attend General Meetings?**
Yes, shareholder holding shares in dematerialized form are entitled to receive dividend, notices, annual report, attend general meetings and participate and vote thereat to the extent of their shareholding.
8. **Whom should I inform change in my address, bank account details etc. in respect of shares held in demat form?**
All request/ communication regarding change in address, bank account details, NECS mandate, registration of nomination etc. should be addressed to your DP directly.
9. **Whom should I contact in case of non-receipt of dividend, bonus etc.?**
Since dividend, bonus and other corporate benefits are declared / issued by the Company, you need to contact either the company or our Registrar and Share Transfer Agent, quoting your beneficiary account number (i.e. Client ID) and DP ID.
10. **Can I do Demat cum deletion of name?**
Yes, you can. Kindly contact your DP for more information.
11. **What is rematerialisation of shares?**
It is the process through which shares held in electronic form are converted into physical form.

12. What is the procedure for rematerialization shares?

Procedure for rematerialisation of shares is as follows:

- Shareholders should submit the duly filled in Rematerialisation Request Form (RRF) to the concerned DP.
- DP intimates the relevant Depository of such requests.
- DP submits RRF to the Company's R&TA.
- DP will generate a Remat Request Number (RRN) and the said RRN is electronically transmitted to the Company/ Registrar and Transfer Agent (RTA) through the concerned Depository;
- RTA on receipt and verification of RRF, allots the folio number to the concerned shareholder and prints the share certificate.
- RTA sends the Share Certificate to the concerned shareholders through Registered AD;
- Depository updates the Beneficiary Account of the shareholder by deleting the shares so rematerialised.