

SECTION 4

DEMATERIALIZATION OF SECURITIES (DEPOSIT OF SECURITIES)

4.1 Procedure for dematerialization of Securities in the CDS

- (a) Subject to these Rules, Account Holders may dematerialize their Securities held in scrip form by depositing such Securities Certificates into their Client Accounts. Such deposits shall be made through the relevant Depository Participant.

Depository Participants shall ensure that the Securities Certificates and the relevant CDS form/s handed over to CDS for deposit are submitted with an acknowledgement of deposit in duplicate. The duplicate of the acknowledgement shall be returned to the Depository Participant by the CDS as confirmation of receipt of the deposit. Depository Participants shall forward the duplicate of the deposit slip to the relevant Account Holder within three (03) Market Days of receiving it.

- (b) Depository Participants shall ensure that Securities Certificates to be deposited into a Client Account by an Account Holder are submitted with the relevant CDS form/s, duly completed, endorsed and executed. Any alterations to the particulars given in such form/s shall be duly certified by the Account Holder and countersigned by the Depository Participant.
- (c) The CDS shall not be obliged to act on any documentation incorrectly completed, endorsed or executed.
- (d) The quantity of Securities indicated on the Securities Certificate forwarded for deposit shall be deposited into the relevant Client Account by the CDS, subject to these Rules.
- (e) Upon receipt of the Securities Certificates for deposit in the CDS, the CDS shall record the quantity of Securities indicated therein as a 'pending' deposit and promptly give written notice to the Company Secretary of the Listed Entity of the pending deposit of Securities in the CDS for registration in the name of the CDS in the register. It shall be the responsibility of the Company Secretary to make arrangements for collecting the relevant documents from the CDS.
- (f) The Company Secretary of the Listed Entity shall confirm/reject the registration of such Securities in the name of the CDS in the register, in writing, to the CDS within two (02) Market Days from the date of the written notification from the CDS.

If the Company Secretary of the Listed Entity rejects the registration of such Securities in the name of the CDS in the Register, the Company Secretary must indicate the reasons for such rejection. On receipt of such notification from the Company Secretary, the CDS shall cancel the pending deposit and return the Securities Certificates to the Depository Participant, in accordance with Rule 3.5 (f).

- (g) Upon receipt of a written confirmation from the Company Secretary of the Listed Entity in terms of Rule 4.1 (f) above, the CDS shall deposit the quantity of Securities indicated in the Securities Certificates to the Account Holder's Client Account, with due notice to the Company Secretary of the Listed Entity.
- (h) The Company Secretary shall immediately inform the CDS when a report is lodged with the Listed Entity about any loss of a Securities Certificate, or the discovery of a forgery in a Securities Certificate, or invalidation of a Share certificate by the Company Secretary. Such notice to the CDS shall set out the details pertaining to the Securities Certificate including the name of the shareholder, Certificate number, quantity of Securities and the company name.
- (i) All liabilities arising out of invalid deposit of Securities with the CDS shall be borne by the Depository Participant.

4.2 Procedure to be adopted by Depository Participants when depositing Securities

- (a) Depository Participants depositing Securities on behalf of Account Holders shall ensure the genuineness/authenticity and validity of the Securities Certificate/s and other documents prior to deposit. The CDS shall not be responsible for any loss resulting from an invalid deposit of Securities.
- (b) If there is any trace of suspicion regarding the genuineness of a Securities Certificate, the Depository Participant shall liaise with the Company Secretary of the Listed Entity and verify whether the Securities Certificate is genuine. These precautions shall be taken prior to handing over the Securities Certificate to the CDS.

4.3 Direct Deposit of Securities to Client Accounts

Notwithstanding anything stated in these Rules, the CDS may accept Securities directly from Listed Entities and/or such other issuers of Securities for deposit into Client Accounts on behalf of the respective Account Holders. The CDS will notify the details of such direct deposit to the relevant Depository Participants.