Circular No.: NSDL/POLICY/2017/0026 Date: May 11, 2017

Subject: Transfer of Shares to Demat Account of IEPF Authority

As Participants are aware, in terms of Section 124 (6) of Companies Act, 2013 and the Rules notified thereunder, the shares in respect of which dividend has not been paid or claimed for a period of seven consecutive years or more, are required to be transferred by the company to the Investor Education and Protection Fund Authority (IEPF). As per the Rule 6 amended vide Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, where the seven year period provided under sub-section (5) of section 124 is completed during September 7, 2016 to May 31, 2017, the due date for transfer of such shares by companies is May 31, 2017. All companies are required to transfer such shares to IEPF, whether held in dematerialized form or physical form, to the demat account of IEPF Authority by way of corporate action. In this context, Participants are requested to take note that as per Rule 6 (3) (b) as amended vide Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, in case, where there is a specific order of Court or Tribunal or Statutory Authority restraining any transfer of such shares and payment of dividend or where such shares are pledged or hypothecated under the provisions of the Depositories Act, 1996 or shares already been transferred under sub-rule (1) of above rules, the company shall not transfer such shares to the Fund. The company is required to furnish a statement of shares not transferred to the Investor Education and Protection Fund (*Form No. IEPF – 3*), which inter-alia requires the company to attach order of court/tribunal/statutory authority specifying the date of such order.

Accordingly, NSDL will be adding new freeze reason codes from '06' to '33', as given below to make the freeze reasons more specific and to facilitate transfer of securities to IEPF Authority.

Freeze Reason Code	Freeze Reason
01	Request By Investor
02	Other Reasons
03	Request By Statutory Authority
04	RGESS
05	SARAL-Positive Confirmation Awaited
06	Account Holder – PAN non-compliant
07	Account Holder – FATCA non-compliant
08	Account Holder– KYC non-compliant
09	Account Holder –Deceased

10	Account Holder – Minor turned major
11	Account Holder– Non-payment of dues of DP
12	Account Holder– Merger of DPM set-up
13	Account Holder– Account closure/transmission - Residual balances
14	Account Holder– Taken over in NSDL Omnibus
15	Statutory Order - SEBI order
16	Statutory Order - Judicial authorities – Court
17	Statutory Order - Judicial authorities – SAT
18	Statutory Order - Judicial authorities - Official Liquidator
19	Statutory Order - Judicial authorities - Company Law Board
20	Statutory Order - Law Enforcement Agencies - Police
21	Statutory Order - Law Enforcement Agencies - Central Bureau of Investigations (CBI)
22	Statutory Order - Law Enforcement Agencies - Criminal Investigation Department (CID)
23	Statutory Order - Law Enforcement Agencies - Serious Fraud Investigation Office (SFIO)
24	Statutory Order - Law Enforcement Agencies - Economic Offence Wing (EOW)
25	Statutory Order - Law Enforcement Agencies - Directorate of Enforcement (ED)
26	Statutory Order - Law Enforcement Agencies - Anti-Corruption Bureau (ACB)
27	Statutory Order - Recovery Proceedings - Recovery Certificate under Cooperative Societies Act
28	Statutory Order - Recovery Proceedings - Debt Recovery Tribunal (DRT)
29	Statutory Order - Revenue Authorities - Income Tax
30	Statutory Order - Revenue Authorities - Service Tax
31	Statutory Order - Revenue Authorities - Sales Tax
32	Statutory Order - Revenue Authorities - Customs
33	Statutory Order - Revenue Authorities - Central Excise

In view of the above, Participants are requested to take note that:

1. When the company executes the corporate action for transfer of shares to IEPF Authority,

a. In case there is a freeze under the freeze reason code "01" to "14", the transfer of shares will be effected.
b. In case there is a freeze under the freeze reason code "15" to "33", the transfer of shares will **not** be effected.

2. To carry out a one-time exercise to review all open freeze requests which are executed by the Participant under the freeze reason code "02" – Other Reasons or "03" – Request by Statutory Authority. In case there is any freeze executed by the Participant under the freeze reason code "02" or "03" which are on the orders of court/tribunal/statutory authority, then, in respect of such freezes, the Participant must change the freeze reason code to the appropriate new freeze code from "15" to "33".

3. In order to facilitate Participants to carry out aforesaid one-time exercise and to facilitate Participants to change the freeze reason codes, a list (in excel format) of open freeze orders where Participants have executed freeze under freeze reason codes "02" and "03" is provided on i-Assist in the format given below under the head **"Freeze reason codes for review for IEPF"**. Participants are required to update appropriate new freeze reason code in the aforesaid excel file and upload the same on i-Assist under the head ***"Updated freeze reason codes for IEPF"***:

Sr. No.	DP ID	Client ID	Sole/First Holder Name	DM order Number of Freeze instruction	Freeze instruction ID	Freeze Remarks	Freeze Description	Current Freeze Reason Code	New Freeze Reason Code [Participants to fill]

Note: Participants are requested to take note that while providing aforesaid details to change the freeze reason codes from "02" or "03" to a new freeze reason code, the freeze carried out by NSDL and the freeze carried out by Participant for PAN non-compliance as per SEBI directions are not included.

4. After the version release for addition of new freeze reason codes is deployed on a date to be notified separately, no new freeze can be entered under the freeze reason code "03" – Request by Statutory Authority.

5. In respect of those freeze where the debit will not be effected through corporate action i.e. freeze reasons "15" to "33", Participants are requested to ensure that the order of the court/tribunal/statutory authority is readily available with the Participant.

6. The information in the above format given must be provided on i-Assist by May 20, 2017.

Participants are requested to ensure compliance, with the above.

For and on behalf of
National Securities Depository Limited

Ravindra Sahu
Senior Manager

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Internal/ Concurrent Audit Report (October - March)	May 15th every year	Through e-PASS	Circular No. NSDL/POLICY/2017/0013 dated March 17, 2017

Digitally signed by
Name : Ravindra Sahu
Date : 5/11/2017 8:54:09 PM
Reason : Authentication