Procedure for Dematerialisation of Shares

The process of dematerializing shares involves the following steps:

- **Open a Demat Account**

1. The shareholder must first open a Demat account with a Depository Participant (DP). A DP is an intermediary between the Depository (NSDL or CDSL) and the investor.
2. The DP will provide an Dematerialization Request Form (DRF) that must be filled out and signed by the shareholder.

- **Submit Physical Share Certificates**

1. The shareholder submits the physical share certificates to the DP along with the Dematerialization Request Form (DRF). The DRF typically includes the details of the shares being dematerialized, such as the certificate numbers and distinctive numbers.
2. The form must be duly signed by the shareholder, and supporting documents may be required for verification.

- **Verification by the Depository**

1. The DP will verify the documents and physical certificates submitted by the shareholder. This includes checking the validity and authenticity of the certificates.
2. If the documents are in order, the DP sends the physical certificates to the Registrar and Transfer Agent (RTA) of the company for further verification.

- **Verification by the Company**

1. The RTA of the company verifies the share certificates and confirms the ownership of the shares.
2. Once verified, the RTA will confirm that the shares are eligible for dematerialization and communicate the same to the DP.

- **Dematerialization and Credit to Demat Account**

1. After verification by the RTA the account holder's demat account will receive a share credit instruction from the DP.

2. Received confirmation slips from DPs communicate the shares that get successfully credited to their demat account.

- **Issuance of Electronic Share Certificates**

1. Once the shares are successfully dematerialized, the shareholder will hold the shares in electronic form.
2. The shareholder can now trade, transfer, or sell the shares through their demat account.