

INVESTOR SERVICES

Dematerialisation of shares

Shareholder(s) who want to hold shares in demat form should open a demat account with a depository participant (DP) registered with either NSDL or CDSL, and then surrender their share certificate(s) for dematerialisation to the company through the DP. List of DPs registered with NSDL and CDSL is available on their respective websites.

Steps involved in dematerialisation of shares:

- Shareholder fills out a Dematerialisation Request Form (DRF) and surrenders the defaced share certificate(s) alongwith the DRF to the DP
- The DP intimates the company/Registrars of this request through the system of NSDL / CDSL
- The DP submits the share certificate(s) and the DRF to the company / Registrars
- The company / Registrars updates the Register of Members and then validates the request
- The Depository credits the DP's account
- The DP updates the investor's demat account and informs the shareholder

At present, no stamp duty has to be paid on transfer of shares in demat form.

Depository services

The equity shares of the company are under compulsory demat trading by all investors. Shares are available for demat with both the depositories in India - National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Considering the advantages of scripless trading, shareholders holding shares in physical form should consider dematerialisation of their holding.

Names of the Depositories:

National Securities Depository Ltd.

Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013

Tel: 022-24972964 to 70

Fax: 022-24972993 / 24976351

Email: info@nsdl.co.in

Website: www.nsdl.co.in

Central Depository Services (India) Ltd.

Phiroze Jeejeebhoy Towers, 28th Floor,

Dalal Street, Mumbai - 400 023

Tel: 022-22723333 / 22723224

Fax: 022-22723199

Email: investors@cdslindia.com

Website: www.cdslindia.com

ISIN for Pidilite's Equity Shares : INE318A01026

Rematerialisation of shares:

Under the depository system, there is provision for rematerialisation of shares i.e. re-conversion of dematerialised shares into physical shares.

Steps involved in rematerialisation of shares:

- Beneficial owner fills out a Rematerialisation Request Form (RRF) and submits the same to the DP.
- DP intimates the company/Registrars of this request through the system of NSDL/CDSL
- DP submits the RRF to the company
- The company/Registrars updates the Register of Members and confirms the request through the system of NSDL/CDSL
- The company/Registrars prints the share certificate and despatches the same to the shareholder by registered post

Share transfers

Share transfers in physical form are registered and normally returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. Registrars of the company have been authorised to approve transfers upto 2000 shares in physical form under one transfer deed. One Director or Company Secretary has been authorised to approve transfers between 2000 -10000 shares under one transfer deed. The Share Transfer Committee of the company is authorized to approve transfers exceeding 10000 shares.

Share transfer requests are acted upon within 15 days from the date of their receipt. In case no response is received from the company/registrars within 30 days of lodgement of transfer request, the lodger should immediately write to the Registrar's of the company with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss/interception during postal transit.

Transmission of shares in physical form

In case of joint holding of shares:

Upon death of a joint-holder, the surviving holder(s) are required to furnish the following documents for transmission of the shares:

- Request letter for deletion of name of the deceased shareholder
- Copy of death certificate of the deceased shareholder(s) attested by gazetted officer or notary public
- Original share certificate(s)
- Name deletion form duly filled-in and signed by the surviving joint shareholder(s)
- Current specimen signature(s) of the surviving shareholder(s), duly attested by a nationalised bank in our prescribed form

In case of shareholding in single name:

Upon death of the shareholder, following documents are required from legal heir(s) / claimant(s):

- Request letter for transmission of shares in favour of the legal heir(s)/claimant(s)
- Copy of death certificate of the deceased shareholder(s) attested by gazetted officer or notary public
- Certified copy of the succession certificate or letter of administration or probate of will
- Original share certificate(s)
- Current specimen signature(s) of the legal heir(s)/claimant(s), duly attested by a nationalised bank in our prescribed form.
- Transmission form duly filled and signed by the legal heir(s)/claimant(s)

In exceptional cases, involving transmission of shares where the legal heir(s) are unable to furnish a succession certificate or letter of administration or probate of will, the company may consider request for transmission on submission of the following documents:

- An affidavit and an indemnity bond on non-judicial stamp paper of requisite value, duly attested by a notary public or first class magistrate or in case of non-resident shareholder(s) by an authorised official of Indian embassy
- Such other documents/information, as may be considered necessary by the company

Transmission in case of Demat holdings

In case of transmission of shares held in dematerialised form, legal heir(s) of the deceased shareholder is/are required to approach the DP with whom the demat account is maintained.

Nomination Facility

With a view to enabling the shareholders to appoint nominees for their shareholdings, the Companies (Amendment) Act, 1999 has made provision under which a shareholder, debenture holder or a depositor can now nominate a person in whom the share or debenture or deposit would vest with, in the event of former's death. Pursuant to this provision, the Department of Company Affairs has by Notification No. GSR23(F) dated 12th January, 1999 prescribed Form 2B for making nomination in respect of shares, debentures and deposits, pursuant to Rules 4CCC and 5D of the Companies (Central Government) General Rules and Forms, 1956.

Shareholders are requested to read the Form and the clarifications furnished hereunder carefully before nominating any person.

Manner of making Nomination

You can make a nomination by filling in and sending us Form 2B singly if you are a sole holder or jointly if you are joint holders. We shall, after verifying your signatures register your nomination and shall intimate you of registration of your nomination.

Individuals Only can Nominate

The nomination can be made only by individuals holding shares singly or jointly. If the shares are held jointly, all the joint holders will sign the nomination form. Non-individuals including a society, trust, body corporate, partnership firm, karta of Hindu Undivided Family and holder of Power of Attorney cannot nominate.

Advantage of making nomination

Notwithstanding anything contained in any other law or any testamentary disposition or otherwise, in respect of the shares or debentures, where a nomination has been made in accordance with the Companies Act, 1956, the nominee on the death of the shareholder/debenture holder/deposit holder as the case may be of Pidilite Industries Limited, on the death of all the joint holders shall become entitled to the rights in the shares or debentures or deposits to the exclusion of all other persons unless the nomination is revoked.

Number of Nominees

Section 109A(1) provides for the nomination of "a person", Form 2B prescribed for nomination requires the "name and address of the nominee". The view is that only one nomination is allowed to be made per folio. However if the shareholders hold in more than one folio but in different order of names or hold in joint names in more than one folio in different combination of names, then they can appoint different nominees under each folio.

For example, if shareholder "X" and "Y" jointly hold 1000 shares, they can together appoint one nominee. However, if 500 shares are held jointly in the names of X and Y respectively and further 500 shares in the names of Y and X respectively, they can appoint two different nominees for their holdings of 500 shares each. Parents desirous of nominating their children can plan their holdings in such a manner so as to facilitate nomination of their children.

Change in nomination

A shareholder can change the nomination as and when he so desires. However, the rules do not prescribe any specific manner in which the variation or cancellation of the nomination can be made. In the absence of clear guidelines or rules, shareholder can change the nomination by a letter revoking his old nomination and submitting afresh Form 2B for change in nomination.

Identity of Nominee in case of death of Shareholder

The prescribed Form 2B only provides for the name and address of the nominee. Section 109B(1) provides that the Board may require the nominee to provide and produce such evidence to prove his identity as thought necessary in the opinion of the Board. Without prejudice to the above, the shareholder/debenture holder may also provide the specimen signature of the nominee along with Form 2B.

Shareholders holding shares in joint names

Shareholders holding shares jointly may together nominate a person to whom the shares shall vest in the event of death of all joint holders.

Effect of death of one of the joint holders on nomination

In the event of death of one of the joint holders, the shares get transmitted in the name of the surviving holder. The death of one of the joint holders does not rescind the nomination. Nominee will have title to the shares/debentures/deposits only on the death of all the joint holders.

Fresh Nomination by surviving joint holder by revoking earlier nomination

Under the laws of wills and testamentary dispositions, joint wills cannot be revoked after the demise of one of the joint testators. Extending the principle in this case would suggest that nominations made jointly cannot be revoked after the demise of one of the joint holders.

However under section 109A the nomination made are to take effect notwithstanding testamentary dispositions, or otherwise.

Therefore on demise of one of the joint holders the remaining joint holder would become sole member. In such case, fresh nomination in prescribed manner could be made revoking the old nomination.

Partly paid shares

Nominations can be made on partly paid up shares/debentures. However if at the time of demise of the share/debenture holder there are any calls in arrears, then the nominee would be subjected to the same rights and liabilities as the original share/debenture holder and the Board by virtue of Section 109B(2) will have discretion to register the shares/debentures in favour of the nominee.

Nomination in favour of a minor

Nomination can be made in favour of minor. In that event, the name and address of the guardian shall be given by the holder.

Death of a shareholder leaving a minor nominee

Sub-Section (4) of Section 109A provides that it shall be lawful for the holder of the shares to nominate in the prescribed manner any person to become entitled to shares of the company in the event of his death during the minority of the nominee. A perusal of the prescribed Form 2B reveals that in case of a minor nominee, a person shall be named as guardian to whom the shares shall vest in the event of death of the shareholder during minority of nominee.

Effect of nomination upon transfer of shares

Upon transfer of shares or debentures or repayment/renewal of deposits, nomination stands rescinded.

Effect of further acquisitions of shares under a given Folio

A shareholder is required to fill in the distinctive numbers of shares on Form 2B and the shares covered by these distinctive shall be transmitted to the nominee in the event of death of the shareholder. For any further acquisition of shares the shareholders will have to extend the nomination to the additional shares by filling in the necessary Form 2B as the existing nomination does not automatically cover the additional shares. To ensure that the nomination is valid, the shareholders need to make specific mention of all distinctive numbers.

Nomination for a part of the holdings

The nomination should be for the full holding and not part.

Overriding effect of Nomination

The Act provides that the nomination overrides a Will or any other testamentary law/instrument.

Transfer the shares by Nominee after the death of the shareholder

A nominee is entitled to transfer the inherited shares in the same manner as the deceased shareholder could have made without having to transmit the shares in his name.

Procedure for transmission of shares in favour of nominee

Upon death of the shareholder or of both the joint shareholders as the case may be, the nominee would be required to furnish the following documents in addition to any other for the purposes of identification:

- a) Certified true copy of death certificate of shareholder.
- b) Proof of date of birth of the nominee.
- c) An affidavit/declaration by the nominee declaring his rights.
- d) The original share certificate.

On production of above documents and any further documents, if required, and on being satisfied about the identity of the nominee, the Company will request the nominee to elect either to register himself as holder of shares or to transfer the shares, the nominee is then required to issue a notice of election. There may be further identification requirements at the discretion of the Board of Directors

If the nominee elects to be registered as a holder of shares, he shall send a notice in writing stating that he so elects

Voting rights of Nominee before being registered as a member

A nominee is not entitled to exercise any voting rights before being registered as a member.

Provisions for Deemed Members (Demat Shareholders) to nominate the same person whom they have appointed as their nominee for their shareholdings with the depository

In case of shares held in electronic form, names of the Depositories concerned (NSDL or CDSL) are entered in the Register of Members. The nomination made by the shareholders in respect of electronic holdings is distinct from their nomination for the physical holdings. Hence Pidilite Industries Limited will not recognize the nomination made by deemed members for their holdings in demat form. Such shareholders are given an option of nomination at the time of opening a demat account. However, the deemed members who have part of their holdings in physical form are entitled to make nomination in prescribed Form 2B for their physical holdings.

Power of Attorney holder for the shareholder concerned appointing any person as nominee

The Power of Attorney holder is not allowed to sign the nomination form on behalf of the shareholder.

Stamp Duty on transmission of shares to nominees

On death of the shareholder, the nominee has to elect either to register himself as a shareholder or to transfer the shares. If he elects to register himself as a shareholder, he has to intimate his decision in writing to Pidilite Industries Limited. This will be in the form of a transmission and therefore will not attract stamp duty.

If a shareholder elects to transfer the shares, he has to send a notice in writing to the Company. Since this amounts to transfer of shares like any other transfer, the same would attract stamp duty.

Precaution investors should take to ensure that their instruction as to nomination would be acted upon

The shareholders concerned should preserve a copy of nomination form on their record. The Company would after registering the nomination advise the shareholders in writing of the registration of nomination.

Pidilite Industries Limited stand discharged if it acts on valid nomination

The Companies Act, 1956 has now recognized nomination. Pidilite Industries Limited will be fully protected if it acts on the nomination. It is also necessary for the Company to act on the nomination. The instruction given in the prescribed nomination form states that transmission of shares / debentures in favour of the nominee and repayment of the amount of deposits to the nominee shall be a valid discharge by a company against other legal heir(s).

Once a nomination is made, the same will qua Pidilite Industries Limited, override all claims from the legal heirs under the succession certificate or from beneficiaries/executors under a Will executed by the deceased shareholder.

Position of heirs of the nominee if the nominee dies before the nominator

Similarly, if the nominee dies before the shareholder/debenture holder, the Company shall transmit the shares/debentures in the name of the heirs or legal representatives or holder of the succession certificate. The heirs of the nominee are not entitled to the shares/debentures if the nominee has predeceased the shareholder/debenture holder.

Loss of shares

In case of loss of share certificate(s) by the registered shareholder(s):

- Shareholder(s) should immediately notify to the Registrar's by way of a letter duly signed by the shareholder(s), the fact of loss/misplacement of share certificate(s) alongwith copy of FIR/acknowledged police complaint bearing complete details of share certificate(s) lost/ misplaced, viz. share certificate no(s), distinctive nos., number of shares, folio no(s), etc.
- On receipt of above documents and upon verification of signature of the shareholder(s) on the intimation letter, the Registrar's shall note 'stop transfer' remarks against the relevant share certificate(s)
- The Registrar's shall inform to the shareholder(s) procedure to be followed for issue of duplicate share certificate(s) alongwith the formats of affidavit, indemnity bond, etc. to be executed by the shareholder(s) in the prescribed manner on non-judicial stamp paper of requisite value
- On receipt of executed affidavit, indemnity bond and other documents/papers and after publication of public notice in newspaper(s), the Registrar's shall issue duplicate share certificate(s), in case the company/registrar's does not receive any objection for the same

In case of loss of share certificate(s) by the unregistered holder of shares:

In addition to the above, following documents are required to be furnished to the company:

- No objection letter from the registered shareholder(s) for issue of duplicate share certificate(s) and subsequent transfer
 - Proof of purchase of shares by the applicant
 - Such other documents/information, as may be considered necessary by the company
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Change of Address

A request letter for updation of records need to be filled in giving the new address along with the Pin Code (Mandatory) and signed by the shareholder(s) (including all joint-holders) as per the specimen recorded with the Company. Also the folio number must be quoted for reference. The request letter for updation of records should be signed by the first holder along with the signatures of the joint holders.

For Shares held in Demat form, since the Depository Participant (DP) maintains the records of all the shares in electronic form, therefore any information pertaining to the change in address needs to be furnished to the respective DP. The said DP will then pass on this information to the Company as and when required for dispatch of Annual Accounts; Postal ballots, Issue of Bonus shares; payment of dividend or any other communication.

Dividend

Non-Receipt of Dividend

In case of Non-receipt of Dividend the Shareholder should write to the Registrars at its Registered Office address furnishing the particulars of the dividend not received and should necessarily quote his folio number. In case he holds shares in electronic mode then the DP ID and client ID should be mentioned. After checking the records with the banker to the issue, the Registrars will arrange to issue him a Banker's Cheque/Demand draft for the unpaid amount.

Duplicate Dividend Warrant

For Issue of Duplicate Dividend Warrant, if the validity period of the lost dividend warrant has not yet expired, one will have to wait till the expiry date since no duplicate can be issued during the validity of the original warrant. However after the expiry of the validity period, if the dividend warrant is still shown as unpaid as per the Bank Statement, a Banker's Cheque/Demand draft shall be issued to the shareholder. Since the dividend warrants are payable at par at more than 100 centres all over the country, it is not practically possible for the banks to issue stop payment instructions and it is therefore necessary for the Company to wait till the validity of the original warrant expires.

Unclaimed Dividend

As per the present law, the Company retains all unpaid/unclaimed dividends for the past seven years. If one has not received any of these dividends, he should write to the Company at its Registered Office address / the Registrar's providing relevant particulars such as folio number/DP ID & Client ID, concerned dividend, year etc., and it shall be arranged to pay the dividend remaining unpaid in the records.

In case of dividend amount remaining unpaid/unclaimed for a period more than 7 years than the said amount is necessarily transferred to the "Investor Education and Protection Fund" (IEPF), constituted by the Central Government and members would not be able to claim any amount of dividend so transferred to the IEPF.

However in respect of the unclaimed dividend(s) declared for the period(s) upto 31.03.1994, the same have already been transferred by the Company to the General Revenue Account of the Central Government. Member(s) may claim the same by writing to the Registrar of Companies, __Maharashtra, C.G.O Building, A wing, 2nd floor, CBD Belapur 400614 by quoting the Company's Registration No.14336.

Bank Mandate

If one is holding shares in physical form, he should duly fill the request updation form for bank mandate and sent the same to the Company at its Registered Office/ Registrars . The information provided shall be taken on record and incorporated on future dividend warrants.

In order to prevent fraudulent encashment of Dividend Warrant, bank account particulars can be incorporated on the Dividend Warrants in case of Shareholders holding shares in physical form and not opted for ECS payment. If one is holding the shares in electronic mode then such details needs to be furnished to the respective Depository Participant with whom one holds the demat account and not to the Company/Registrars.

ECS (Electronic Clearing System)

Under this system, one can receive his dividend electronically by way of direct credit to his bank account. With this service the problems such as loss/fraudulent interception of dividend warrants during postal transit is avoided. This also expedites payment through credit to the account of the investor as compared to the payment through physical dividend warrant. The Reserve Bank of India has introduced ECS facility at select cities only.

In case of Shares held in demat form, as per the Depository Regulations, the company is obliged to pay dividend as per the details of demat shareholders furnished by the concerned Depository Participant. However, if in case one needs to record his mandate then such details needs to be furnished to the respective Depository Participant with whom one holds the demat account and not to the Company/Registrar's as the company/registrar's are not authorised to make or incorporate any change in records received from the Depository.

One can also authorise his bankers to receive dividends by furnishing the name and address, of the banker. Such request should contain all the relevant details such as folio number, number of shares, specimen signatures recorded with the Company. The Company will take on record such request complete in all respect and dispatch the dividend warrant to the mandatee as per the instructions. Please note that this procedure is applicable only if you are holding shares in physical form.

Bank Details for Electronic Shareholdings

While opening Accounts with Depository Participants (DPs), you may have given your Bank Account details, which will be used for printing on dividend warrants or remittance of dividend. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the Account specified on the dividend warrants and ensures safety for investors. However, if you wish to receive dividend in an Account other than the one specified while opening the Depository Account, you may change / correct Bank Account details with your DP. Shareholders are requested to furnish complete details of their Bank Accounts including MICR codes of their Bank to their DPs.

Registrar and Share Transfer Agents

Pidilite Industries Limited, has appointed TSR Darashaw Limited to act as Registrar and Share Transfer Agents of the Company.

Contact details of TSR Darashaw Limited are:

TSR Darashaw Limited

Unit: Pidilite Industries Limited
6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E.Moses Road, Mahalaxmi,
Mumbai 400 011.
Tel: (022) 66568484
Fax: (022) 66568494
email: csg-unit@trsdarashaw.com

Shareholders/Investors are requested to forward documents related to share transfer, transmission, nomination, Change of address, ECS details and other related matters and correspondence directly to TSR Darashaw Limited at the above address.
