

Dear Sir/ Madam,

Sub: Treatment in case of KYC non-compliant folios and dividend payment -Physical securities

SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from **April 01, 2024**.

Further, relevant FAQs have also been published by SEBI on its website at the following web link for investor awareness:

https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

In this regard, Listed companies are hereby advised to prominently display the aforesaid requirements to be complied with by holders of physical securities on their respective websites. Listed companies shall also, directly or through RTA, intimate* their security holders about folios which are incomplete about PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature by providing the following message:

- I. In case of non-updation of PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode with effect from **April 01, 2024**, upon furnishing all the aforesaid details in entirety.
- II. If a security holder updates the folio with the KYC details as aforesaid after **April 01, 2024**, then the security holder would receive all the dividends/interest etc. declared during that period (**from April 01, 2024, till date of updation**) automatically in respect of the folio/securities.

Further pursuant to SEBI Circular 16th March, 2023, an intimation to the physical holders about the non-updation of KYC also to be sent within six months from end of each financial year.

Please find the draft intimation letter to be forwarded to the shareholder post dividend payment to notify about the withholding of Dividend payment and intimation about the Non-Update of KYC.

[SPECIMEN INTIMATION LETTER](#)

The attached specimen letter would serve as the dividend withheld advice cum KYC intimation as envisaged vide aforesaid circulars.

In case of any additional information/clarifications, do reach out to the Group Relationship Manager (GRMs) servicing your esteemed company.

With regards

Team KFIN - Corporate Registry Services
KFin Technologies Limited

Dated: 22.03.24