

**J.K. CEMENT LTD.**  
**Kamla Tower, Kanpur-208001**

*INFORMATION ABOUT IEPF*

**What is IEPF?**

Investor Education and Protection Fund (“IEPF/Fund”) is a fund established by the Central Government under the provisions of the Companies Act, 2013 (“Act”). The purpose of establishment of the said fund is to promote investors’ awareness and protect the interests of the investors.

- **Administration of the fund**

The Fund is administered by the Investor Education and Protection Fund Authority (“IEPF Authority”).

- **Constitution of IEPF Authority**

IEPF Authority is a body corporate constituted with a chairperson, Chief Executive officer and six members in order to administer the Fund and undertake other functions related to management of the Fund. The Secretary to the Ministry of Corporate Affairs is the Chairperson of the IEPF Authority and out of six members two are the nominees of the Reserve Bank of India and the Securities and Exchange Board of India.

- **What all amounts are transferred to IEPF?**

The amounts which are transferred/credited to the IEPF are as follows:

1. The amounts given by Central Government by way of grants;
2. Donations given by the Central Government, State Governments, Companies or any other institution;
3. Amounts lying in the Unpaid Dividend Account of Companies for 7 years of more;
4. Interest or other income received out of investments made from the Fund;
5. Amounts in the general revenue account of the Central Government under special dividend account maintained section 205A of the Companies Act, 1956 and remaining unpaid or unclaimed on the commencement of this Act.
6. Amount lying in the IEPF as per section 205C of the Companies Act, 1956.
7. Amounts received through disgorgement or disposal of securities acquired by personation for acquisition of securities in fictitious name;
8. Application money received by companies or allotment of any securities and due for refund;
9. Matured deposits, debentures and interest accrued thereon;
10. Sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation for seven or more years;
11. Redemption amount of preference shares remaining unpaid or unclaimed for seven or more years.

- **Utilization of the Fund**

The Fund is required to be utilized for the following purposes;

1. For claiming unclaimed dividend, matured deposits, matured debentures, application money due for refund and interest thereon;
2. Promotion of investors' education, awareness and protection;
3. Distribution of disgorged amount among eligible applicants for shares or debentures, shareholders, debenture-holders or depositors who have suffered losses due to wrongful acts of person in accordance with the orders of the Court against such disgorgement.;
4. Reimbursement of legal expenses incurred in pursuing class action suit for getting affected due to misleading statement or the infusion or omission of any matter in the prospectus;
5. Reimbursement of legal expenses in pursuing class action suits on application made if found that the management or conduct of the affairs of the Company are being conducted in a manner prejudicial to the interests of the company.

- **Whether the company is required to intimate about the proposed transfer of shares to the shareholder?**

The Company is mandatorily required to intimate vide individual notices to each of the shareholders as per the provisions of the Companies Act, 2013 read with allied rules prior to transfer of shares to the Fund. Furthermore, the Company is also required to publish a notice to the said effect in a leading newspaper in English and regional language having wide circulation informing the concerned shareholder.

- **Can a bonafide shareholder claim the shares and/or dividends from the IEPF Authority?**

Once the shares and/or dividends are transferred to the Fund, the same remains in the safe custody of the Fund as the fund acts as a custodian of such shares and dividends. Therefore, if you are a bonafide shareholder, the shares as well as the dividends can be claimed back from the IEPF Authority by making an application in this regard. The law allows such a claim subject to fulfillment of certain conditions/requirements. A step-by-step procedure in this regard is provided in the next Chapter of this Guidebook.

- **What will happen if you do not claim your shares/dividends?**

There is no specific timeline for claiming the shares and/or dividends back from the IEPF Authority. Therefore, as aforesaid, the same shall be in the custody of the Fund until the claim is made.

- **Step-by-step guide to get your shares/dividends back from IEPF.**

A bonafide shareholder may claim the shares and/or dividends back from the Fund by making an application to the IEPF Authority. This chapter focuses on the step-by-step process to be followed by the shareholders in this regard.

**Step-1 :** The application shall be made to the IEPF Authority in e-form IEPF-5 by filing the same online through MCA portal. The e-form can be downloaded from the website of the IEPF Authority i.e. <http://iepf.gov.in/IEPFA/corporates.html>

The instructions of filing up the said e-form and then filing with the Authority are provided in the next Chapter i.e. Chapter-3.

**Please note the following-**

*In case, you are a legal heir or successor or administrator or nominee of the registered share holder, you have to ensure that you complete the transmission process with the Company before filing your claim/application with the IEPF Authority.*

*However, where request of transmission of shares is made to the Company after the transfer of shares by Company to the Authority, the Company shall verify all requisite documents required for registering transmission and shall issue letter to the concerned person being the legal heir or successor or administrator or nominee of the registered shareholder indicating the entitlement to the transmitted shares and furnish a copy of the same to the Authority while verifying the claim of such claimant.*

It is to be kept in mind that you can file only one consolidated claim in respect of the Company in a Financial Year.

**Step-2 :** You have to sign the hard copy of the duly filled e-Form IEPF-5 which was already filed with the Authority and send the same along with the requisite documents as mentioned under Chapter-4 for verification of the claim at the Registered Office of the Company. The authority for submission of the same is the Nodal Officer appointed by the Company and can be reached at:

**Shri Shambhu Singh  
Nodal Officer,  
J.K. Cement Ltd.,  
Kamla Tower,  
Kanpur-208001**

There is no timeline prescribed for such submission of the hard copy with the Company. However, since the disposal of the claim by the Authority is based on the Verification Report (as mentioned hereunder) of the Company, the shareholder should submit the hard copy of the form with the Company as soon as possible in order to avoid any delay in processing of the claim.

**Step-3 :** The Nodal Officer of the Company shall send a Verification Report to the IEPF Authority in the prescribed format within 15 days from the date of submission of the hard copy of the Form with the Company. The format for the Verification Report shall be as

prescribed in the MCA Circular dated .....which can be viewed at: [http://iepf.gov.in/IEPF/PDF/RevisedProforma\\_02022018.pdf](http://iepf.gov.in/IEPF/PDF/RevisedProforma_02022018.pdf). The format is also provided in Annexure III of the Chapter-4.

**Step-4:** After verification of your claim-

If the claim was made for dividends-

The Drawing and Disbursement Officer of the IEPF Authority shall present a bill to the Pay and Accounts Office for e-payment as per the internal guidelines of the IEPF Authority.

If the claim was made for shares-

The Authority shall issue a refund sanction order with the approval of the Competent Authority/Department-in-charge and shall credit shares to the DEMAT account of the shareholder to the extent to the claim.

**Step-5 :** The IEPF Authority shall in its records cause a note to be made of all the aforesaid payments made and shares credited in the account of all the claimants.

**Step-6 :** The application shall be disposed off by the Authority within 60 days from the date of receipt of the Verification Report from the Company.

In case, there is any delay beyond the said specified period, IEPF Authority shall record the reasons in writing for the delay and the same shall be communicated to the claimant shareholder in writing or by electronic means.

Where the application is incomplete or not approved, the Authority shall send a communication to the claimant shareholder and also to the Company detailing the deficiencies of the application. In such a case, the Authority shall be empowered to reject the claim if the deficiencies are not rectified by the shareholder within 90 days from the date of communication made by the Authority. Any rejection shall be subject to giving an opportunity of being heard to the shareholder to furnish response within a period of 30 days.

- **Documents to be submitted with the Company for verification of claim**

As stated in the previous Chapters, the application for claiming the dividends/shares back from the IEPF shall be in e-form IEPF-5. The signed hard copy of the duly filled and filed IEPF-5 is then required to be submitted with the Company for verification accompanying the documents enlisted in this Chapter. The authority for submitting the form is the Nodal Officer appointed by the Company. The list of documents are:

1. Print out of duly filled and filed e-Form IEPF-5 with your signature along with the documents as mentioned herein to the Company in an envelope marked as “Claim for refund from IEPF Authority” for initiating the process for verification of the claim;
2. Copy of acknowledgement (challan) generated after uploading the claim Form IEPF-5;

3. Indemnity Bond as per the format in Annexure-1 in the following manner-
  - a) In case of claim for refund of dividend-
    - (i) On a non-judicial stamp paper of the value as prescribed under the Stamp Act [Rs.50 as per the Stamp Act of West Bengal] if the amount of the claim is Rs.10,000 or more. Please ensure to enter date, place and signature of yourself and the witness, and
    - (ii) On a plain paper if the amount claimed does not exceed Rs.10000/-.
  - b) In case of claim for refund of shares, on a non-judicial stamp paper of the value as prescribed under the Stamp Act [Rs.50 as per the Stamp Act of West Bengal];
4. Original advance receipt with signatures of the claimant shareholder and the witness as per the format in Annexure-II;
5. Copy of your Aadhaar Card and in case you are a joint holder, copy of the Aadhaar Card of the joint holder;
6. Proof of entitlement (certificate of shares/dividend warrant no. etc.);
7. Cancelled cheque leaf;
8. Copy of Passport, OCI and PIO Card in case of foreigners and NRI;
9. Copy of the PAN Card (mandatory in case of claim of shares);
10. Client Master List of Demat A/c of the claimant;
11. In case any joint holder deceased, copy of death certificate to be attached;

On completion of the verification by the Nodal Officer of the Company, the following documents shall be sent to the IEPF Authority:

1. Verification Report
2. Photocopy of the challans duly attested by the Nodal officer through which the amount was originally credited by the Company to the IEPF Demat account.
3. Year wise detailed statements duly attested by the Nodal officer showing the name of the claimant, the amount to be refunded and the serial number and the date of challan with which the money was originally deposited.

#### ● **Frequently Asked Questions**

- A. I am a shareholder having 100 shares of the Company. Dividend on such shares were declared in the AGM held in the year 2011-12. I have not claimed any dividend on such shares such the date of declaration i.e. FY 2010-11. Are my shares liable for transfer to IEPF?**

**Reply:** As per the provisions of the Companies Act, 2013 and the Rules made thereunder, shares on which dividend has remained unpaid or unclaimed for 7 consecutive years or more are liable to be transferred to IEPF.

In the present case, dividend on those 100 shares were declared in the FY 2011-12. Further you have not claimed those dividend since then. Therefore as the dividend has remained unpaid or unclaimed for F.Y. 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 2017-18, 2018-19 the shares are liable to be transferred to the IEPF in the upcoming FY 2018-19 within 30 days from the date of completion of 7 consecutive years.

- B. I have not claimed any dividend on my shares form past 7 years due to which my shares have been transferred to the IEPF. Can I still attend and vote at the general meetings of the Company?**

**Reply:** Where the share have already been transferred to IEPF you lose the right to attend and vote at the general meeting since your voting rights stand frizzed along with the shares. The voting rights can be exercised only after the shares are claimed back from the Authority.

- C. In case my shares are transferred to the IEPF, am I ceased to be called as the owner of the shares?**

**Reply:** The transfer of shares to IEPF is a temporary suspension of the rights underlying those shares. The IEPF Authority acts as a custodian of the shares until the shares are claimed back from it. Therefore, as mentioned in question 2 above, only the rights attached to the concerned shares stand frizzed and the shareholder does not cease to be owner of the shares.

- D. I have not claimed interim dividend declared by the Company in the FY 10-11. Whether my unclaimed interim dividend is also liable to be transferred to the IEPF?**

**Reply:** The term “dividend” as per section 2(35) of the Companies Act, 2013 includes “interim dividend” as well, in addition to final dividend. Therefore, the provisions of the said Act pertaining to transfer of unclaimed dividend to IEPF shall also be applicable to interim dividend.

- E. If my shares and dividend have been transferred to the IEPF. Can I get it back? If yes, then how?**

**Reply:** Yes, the dividends as well as the shares can be claimed back from the IEPF Authority by making an online application in e-form IEPF-5 through MCA portal. The respective procedure for the same have been provided in the previous Chapters of this Guidebook.

- F. Mr. X being a shareholder has sold 100 shares to Mr. Y on which dividend has not been claimed. Further, Mr.Y has not lodged the transfer deed for transfer of shares in his/her favour. In such a scenario, as the dividend remained unclaimed, the same shall be transferred to IEPF Account. Please clarify the process whereby Mr. X and Mr. Y can claim the said shares from IEPF Authority.**

**Reply:** The transfer of shares can be given effect only if a share transfer deed is duly executed by the concerned parties which will be required to submit with the Company by providing all the supporting papers for verification by the Company. The transfer deed may be submitted either by Mr. X or Mr. Y. Post registration of the transfer of shares by the Company, the application in e-Form IEPF-5 shall be made by the transferee i.e. Mr. Y by following the procedure mentioned in the previous Chapters.

- G. **Mr. X, a shareholder holds 100 shares on which dividend has remained unclaimed or unpaid for 7 years. Out of these, 40 shares are such on which there has been a stay order given by the Court restraining its transfer and payment of dividend. What will happen to these 40 shares? Whether these 40 shares will also get transferred to the IEPF.**

**Reply:** Rule 6(3) (b) of the IEPF Rules provides that in case there is a specific order of Court or Tribunal or statutory Authority restraining any transfer of such shares and payment of dividend, the Company shall not transfer such shares to the IEPF. Hence, in the present case, as the Court had directed a stay order on the stated 40 shares, such shares shall not be liable for transfer to the IEPF. However, the remaining 60 shares shall be transferred to the IEPF.

- H. **Mr. X is a legal heir or successor or administrator or nominee of Mr. Y, the deceased shareholder. The shares of the deceased have been transferred by the Company to the IEPF due to not claiming dividend for seven consecutive years. How Mr. X being the legal heir or successor or administrator or nominee of Mr. Y can claim back the shares?**

**Reply:** As per the IEPF Rules, the transmission process has to be completed by the Company before filing any application/claim with the IEPF Authority.

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