Circular No.: NSDL/POLICY/2022/113   August 11, 2022

Subject: Procedure for opening 'Suspense Escrow Demat Account' by Issuer Company

As all Participants are aware, Issuer Companies are required to open a separate demat account for dealing with unclaimed securities i.e. securities which could not be allotted to the rightful holder(s) due to insufficient/incorrect information or any other reason.

In this context, for dealing with such unclaimed securities, Issuer is required:-

1. For securities in demat form, the unclaimed securities shall be credited to a demat suspense account of the Company opened by the Issuer for this purpose.
2. For securities in physical form, the issuer shall dematerialize the unclaimed securities in the Unclaimed Suspense Account of the Company.
3. In case the securities holder/claimant fails to submit the demat request within the prescribed period of receiving the Letter of Confirmation on processing of Investor Service Requests, Issuer Companies shall credit the securities to the Suspense Escrow Demat Account of the Company.
4. For issue and credit of Right Entitlements (REs) in dematerialized mode, if the demat account of a shareholder is frozen or demat account details are not available, including shares held in unclaimed suspense account or in the account of IEPF Authority, then REs shall be credited in a Suspense Escrow Demat Account of the Company.
5. For securities issued pursuant to the scheme of arrangement, physical or otherwise, which remain unclaimed, Company shall credit the securities in Escrow/Suspense demat account.
6. Issuers who are unable to allocate securities to the shareholders in dematerialized form where such shareholders are holding shares in physical form and their demat details are not available.

In this regard, Participants are hereby advised to use the sub types as given below for above mentioned purposes.

Client Type (Existing)	Client Type code (Existing)	New Client Sub-type description	New Client sub-type code
Body Corporate	5	Unclaimed Securities - Suspense Escrow Account	41
Bank	10	Unclaimed Securities - Suspense Escrow Account	14

Further, Participants vide NSDL Circular Nos. NSDL/POLICY/2022/079 dated June 02, 2022 and NSDL/POLICY/2022/103 dated July 23, 2022 were advised to make necessary changes in their back-office system as per the aforementioned static data codes in respect of Client Maintenance Module of DPM System. Above mentioned Client sub-types is made available in Local DPM version 7.54.

Procedure to open Suspense Escrow Demat account:

1. The demat account may be opened in the name as **<Name of Issuer>** under the type "Body Corporate" or "Bank" as the case may be with sub-type **'Unclaimed Securities - Suspense Escrow Account'**

2. The Issuer shall submit following declaration on its letterhead, signed by the authorized signatories as under:

- Annexure 1: Declaration where the Issuer company has an existing demat account with the Participant (format enclosed)

- Annexure 2: Declaration where the Issuer company does not have an existing demat account with the Participant (format enclosed). This will be in addition to the existing procedure of account opening as prescribed by NSDL/SEBI from time to time.

With respect existing demat account containing unclaimed securities, Participants shall be required to modify the account sub-type of applicable existing accounts to the aforesaid account sub-type based on account holder's request. The facility to modify the existing accounts to the above mentioned Client sub-types will be notified separately.

Participants are requested to take note of the above and ensure compliance.

For and on behalf of

National Securities Depository Limited

Arockiaraj
Manager

Enclosed: Two

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

Annexure 1
Declaration where the issuer company having an existing demat account with the Participant

(To be provided on the letterhead of Issuer Company)

To,

<Participant Name>

Subject: Request for opening "Unclaimed Securities - Suspense Escrow Account"

Dear Sir / Madam,

1. With reference to captioned subject, I / We < Issuer Company Name > are maintaining a Demat account with <Participant name>. <demat account number >. I/We would like to open 'Unclaimed Securities- Suspense Escrow Account' in <Participant name> based on the existing Account Opening Form with you.

2. I/We hereby undertake that we will ensure compliance with the provisions of the applicable SEBI guidelines/Companies Act 2013 and Rules for dealing with unclaimed securities. We further undertake that the said depository account will only be used for specified purposes and shall be closed immediately after the shares held in the account are transferred to the respective demat accounts"

3. Further, I/we hereby declare that I/we are KYC compliant and there is no change in the same.

For <Issuer Company Name>

Signature of the Authorized Signatory(ies) :

Name of Authorised Signatory(ies):

Date:

Declaration where the Issuer company not having any existing demat account with the Participant

(To be provided on the letterhead of Issuer Company)

To,

<Participant Name>

Subject: Request for opening "Unclaimed Securities - Suspense Escrow Account"

Dear Sir / Madam,

I/We hereby undertake that we will ensure compliance with the provisions of the applicable SEBI guidelines/Companies Act 2013 and Rules for dealing with unclaimed securities. We further undertake that the said depository account will only be used for specified purposes and shall be closed immediately after the shares held in the account are transferred to the respective demat accounts.

For <Issuer Company Name>

Signature of the Authorized Signatory(ies)

Name of Authorised Signatory(ies)

Date: