

Policy for Dealing with Unclaimed Interest/ Redemption of Non- Convertible Securities



Investor Relations Cell

Policy for Dealing with Unclaimed Interest/ Redemption of Non-Convertible Securities

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1. Preamble

Regulation 61A(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), provides that, 'where the interest/dividend/redemption amount has not been claimed within thirty days from the due date of interest/ dividend/ redemption payment, a listed entity shall within seven days from the date of expiry of the said period of thirty days, transfer the amount to an Escrow Account, and any amount transferred to the Escrow Account in terms of Regulation 61A(2) of SEBI LODR remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund constituted in terms of section 125 of the Companies Act, 2013.

Further, SEBI vide its circular SEBI/HO/DDHS/DDHS-RAC-1/P/CIR/2023/176 dated November 8, 2023 has implemented a Framework for transfer of unclaimed amounts¹ by the listed entities² to Escrow Accounts and claim thereof by investors.

¹ *Unclaimed interest/ dividend/ redemption amount for non-convertible securities*

² *Entities who have listed Non-Convertible Securities*

2. Objectives

In terms of SEBI Circular dated November 8, 2023, the policy intends to specify the process to be followed by investors for claiming their unclaimed amounts.

3. Applicability

The Policy shall be applicable to the Bank which having listed non-convertible securities with interest / redemption amount which has not been claimed by investors within thirty days from the date of interest / redemption payment. The policy will applicable with effect from March 01, 2024.

4. Definitions

- **Bank** means The Karur Vysya Bank Ltd.
- **Demat Account No.** means a unique identification number assigned to an individual or entity by a Depository Participant.
- **Depository** means an organisation which holds securities of investors in electronic form at the request of the investors through a registered Depository Participant. At present two Depositories viz. National

Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) are registered with SEBI.

- **Depository Participant** means an agent of the depository through which it interfaces with the investor and provides depository services.
- **Electronic Transfer** means payment of amount through Direct Credit/NEFT/RTGS/NACH
- **Investor** means person/entities who have invested in Bank's non-convertible securities.
- **Investor Education and Protection Fund or IEPF** means a fund established by the Central Government of India constituted in terms of section 125 of the Companies Act, 2013.
- **Listed Entity** means entities who have listed Non-Convertible Securities.
- **Non-convertible securities (NCD) means** debt securities, non-convertible redeemable preference shares, perpetual non-cumulative preference shares, perpetual debt instruments and any other securities as specified by the SEBI.
- **Record Date** means a cut-off fixed by the Bank to determine the investors who are eligible to receive interest/ redemption.

5. Payment of Interest / Redemption Amount

Payment of Interest / Redemption amount would be processed through electronic transfer facility to the investors whose bank account details are updated with the Depositories as on the record date.

In cases where the complete bank details such as MICR, IFSC etc. are not available or the electronic transfer payment have been failed or have been rejected, then physical instruments such as warrant will be dispatched to the investors to their address, as available with the Bank. The warrants will be valid for a period of 90 days from the date of payment for encashment. Investors can en-cash the warrants by presenting the same before their respective Banks. After expiry of said 90 days, investors can claim the amount as per the procedure mentioned in Clause 10 of this policy.

6. Transfer of amounts to Escrow Account

In case the Interest / Redemption amount was not claimed by the investor within 30 days from the date of payment, the amount will be

transferred to an Escrow account in the name of 'Unclaimed Interest / Redemption account' maintained by the Bank, within 7 days from the date of expiry of the said period of 30 days.

7. Interest in case of default

In case a default is made in transferring the amount referred in above or part thereof to the Escrow Account of the Bank, it shall pay, interest on the amount that has not been transferred to the said account, for the period of default i.e. from the date of default till the date of transfer to the Escrow Account, at the rate of twelve percent per annum. The said interest amount shall accrue to the investors in proportion to the amount remaining unclaimed.

8. Transfer of unclaimed amounts to IEPF

The unclaimed amount will lie in the 'Unclaimed Interest / Redemption account' for a period of 7 consecutive years from the date of transfer to such account. After the expiry of said 7 years period, the amount lying in the 'Unclaimed Interest / Redemption account' will be transferred to 'Investor Education and Protection Fund' (IEPF) constituted by Central Government in terms of Section 125 of the Companies Act, 2013.

9. Appointment of Nodal Officer:

The Company Secretary, for the purpose of this Policy, is designated as the 'Nodal Officer' of the Bank who shall be the point of contact for investors entitled to claim their unclaimed amounts, SEBI, Stock Exchange(s) and Depositories.

Investor Service and Grievance Redressal Mechanism: Investors can approach the Bank's Nodal Officer for investor services and grievances related matters.

Address and Contact details of Nodal Officer of the Bank:
Company Secretary, Nodal Officer, The Karur Vysya Bank Ltd., Regd. & Central Office, No. 20, Erode Road, Vadivel Nagar, L.N.S., Karur – 639 002. Tel:04324-269441,35 E-mail: kvb_sig@kvbmail.com

10. Procedure for Claiming Unclaimed Interest/Redemption Amount from Bank

10.1 Investors who have not claimed interest/redemption amount and the amount which has not yet been transferred to the IEPF, can claim the amount by submitting the following documents:

- Request letter (Format Enclosed as **Annexure I**)
- Self-Attested PAN copy
- Self-Attested Address Proof
- Self-attested copy of Passport/OCI card/ PIO card (for Foreigners/ NRI)
- Certified copy of the Client Master List (CML) of Demat Account with complete bank account details.
- Cancelled Cheque /Front Page of the Bank Account Passbook with manager attestation.
- Original interest/redemption warrant.
- Indemnity Bond (Non-Judicial Stamp Paper of Rs.100), (Format Enclosed as **Annexure II**) if original interest/redemption warrant is not available.

10.2 In case claim is made by legal heir(s), where the securities are held in single name without nomination, the following documents are required to be submitted:

a) A notarized affidavit from all legal heir(s) made on non-judicial stamp paper of appropriate value, to the effect of identification and claim of legal ownership to the securities. However, in case the legal heir(s)/claimant(s) are named in the Succession Certificate or Probate of Will or Will or Letter of Administration as may be applicable in terms of Indian Succession Act, 1925 or Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority, an affidavit from such legal heir(s)/claimant(s) alone shall be sufficient.

b) Duly signed transmission request form by the legal heir(s)/claimant(s).

c) Original death certificate or copy of death certificate attested by the legal heir(s)/claimant(s) subject to verification with the original or copy of death certificate duly attested by a notary public or by a Gazetted Officer.

d) Self-attested copy of PAN of the legal heir(s)/claimant(s).

e) A copy of Succession Certificate or Probate of Will or Will or Letter of Administration or Court Decree as may be applicable in terms of Indian Succession Act, 1925 or Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority, attested by the legal heir(s)/claimant(s) subject to verification with the original or duly attested by a notary public or by a Gazetted Officer.

In case where a copy of Will or a Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority is submitted, the same shall be accompanied with a notarized indemnity bond from the legal heir(s) /claimant(s) to whom the securities are transmitted, in the format as specified by SEBI, from time to time.

In case where a copy of Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority is submitted, the same shall also be accompanied with a No Objection from all non claimants, stating that they have relinquished their rights to the claim for transmission of securities.

f) For cases where value of securities up to Rs. 15 lakhs per beneficial owner in case of securities held in dematerialized mode, as on date of application, and where the documents mentioned in para (e) are not available, the legal heir(s) /claimant(s) may submit the following documents:

i. no objection certificate from all legal heir(s) stating that they do not object to such transmission or copy of family settlement deed executed by all the legal heirs duly attested by a notary public or by a Gazetted Officer; and

ii. notarized indemnity bond made on non-judicial stamp paper of appropriate value, indemnifying the Share Transfer Agent/ listed entity, in the format as specified by SEBI, from time to time.

All investor services related specimen documents are available in website of the Bank.

10.3 Investor shall submit the claim documents to the Bank through post/in person /from registered mail id. Upon examination of the document, if any defective/incompleteness was found, the Bank can raise

queries/clarification/request for further documents with respect to claim submitted by the investor by the way of letter/email communication,. In case, there was no reply from the investor within 30 days from the date of receipt of the query, the claim may be rejected. However, the investor can re-file the claim with the Bank with updated document.

10.4 If all documents were in order, the Bank shall process the claim and make the payment through electronic transfer, within 30 days from the date of receipt of final document.

11. Procedure for Claiming the Interest/Redemption from the IEPF

Investors who have not claimed interest/redemption amount and the amount which has been transferred to the IEPF, can claim the amount by submitting the online form with IEPF authority as below:

- Investor/claimant has to visit the website of IEPF Authority (www.iepf.gov.in) and submit the online application in Form IEPF-5.
- Investor/claimant after making an application in Form IEPF-5 shall send the duly self-attested (including the joint holder) copy of Form IEPF-5 and updated Client Master List along with Indemnity Bond, other documents as enumerated in Form No. IEPF-5, to the Nodal Officer of the Bank at its registered office for verification of the claim.
- The Nodal Officer shall, within 30 days from the date of receipt of claim, send an online verification report to the IEPF authority after verification of details in Form No. IEPF-5
- The claim will be verified by the IEPF authority, and they may request additional documents or information if necessary.
- The IEPF authority will initiate the refund process if the claim is verified and approved, and the amount will be credited to the investor/claimant bank account.
- In case the claim is rejected by the IEPF authority, Investor/claimant to follow the steps stated above.

12. Processing of claim by the Bank

Bank shall process the claim as per the laid down procedure furnished in Annexure III. As Annexure III is an internal document, it may not be uploaded in the website of the Bank. Investor can also get the status of their claim by way of phone/email/letter communication.

13. Website updation:

Bank shall, within 30 days of transferring the unclaimed amount to the Escrow Account, upload details on its website in the format and manner as prescribed by SEBI from time to time.

Bank shall provide a search facility on its website for investors to verify if there is any unclaimed amount due to them and lying in the Escrow Account of the Bank in the format and manner as prescribed by SEBI from time to time. Further, the interest, if any, in the Escrow Account, that accrues to the investor in proportion to his/ her unclaimed amount, may also be disclosed by the Bank.

Bank shall display cumulative details of the number of claims received, processed, pending, etc., on its website.

Any change in the information uploaded on the website shall be updated by the Bank by the seventh day of the succeeding month.

This policy shall be displayed on the website of the Bank.

14. Review

The policy shall be reviewed on yearly basis.

Annexure I

To
The Company Secretary,
The Karur Vysya Bank Limited,
Registered and Central Office,
No.20, Erode Road, Vadivel Nagar,
Karur-639002

Sub: Credit of the unclaimed Interest/ Redemption amount

Ref: Bonds/Non-Convertible Securities issued by The Karur Vysya Bank Ltd

Dear Sir / Madam,

I/We, _____, am/are holding of Bonds/Non-Convertible Securities ("NCDs") issued by The Karur Vysya Bank Ltd ("the Bank"). Since I/we have not claimed the below amount, we request you to credit the amount in the Bank Account details of which are given as below:

Demat Account No	Interest/Redemption	Warrant No	Financial Year	Amount (Rs.)

Name of the Bank	
Branch	
Type of Account	
Account Number	
IFSC Code	

Please find enclosed herewith the following documents to enable the Bank to process the unclaimed amount:

1. Self-attested copy of PAN Card
2. Self-attested copy of Address Proof
3. Certified copy of the updated Client Master List (CML) of Demat Account with revised/correct bank details
4. Cancelled Cheque of the bank account/Front Page of the Bank Account Passbook with Manager Attestation
5. Original interest/redemption warrant
6. Indemnity Bond in Non-Judicial Stamp Paper of Rs.100, if original interest/redemption warrant is not available

Request you to process the credit of the unclaimed amount.

Thank You.

Yours faithfully

Signature of the Investor:
Name of Investor:
Address:
Contact Details:

Note: In case of joint holding all the Applicants should sign.

LETTER OF INDEMNITY FOR DUPLICATE INTEREST/ REDEMPTION WARRANT
(TO BE EXECUTED ON A Rs.100/- NON-JUDICIAL STAMP PAPER)

DEAR SIR/MADAM,

THIS IS TO CERTIFY THT I/WE HAVE LOST/MISPLACED/NOT RECEIVED INTEREST WARRANT/ REDEMPTION OF **THE KARUR VYSYA BANK LTD.** AS PER DETAILS GIVEN BELOW:

DEMAT NO.	INTEREST/ REDEMPTION	WARRANT NO	INTEREST/REDEMPTION DUE ON	AMOUNT (RS)

I/WE HEREBY REQUEST YOU TO PLEASE ISSUE ME/US A DUPLICATE AGAINST THE ABOVE SAID INTEREST/REDEMPTION WARRANT. I/WE HEREBY AGREE TO INDEMNIFY THE COMPANY IN THE MANNER HEREIN AFTER STATED: I/WE HAVE NOT CHANGED, PLEDGED, CREATED ANY SORT OF ENCUMBERANCE OR OTHERWISE DEALT IN SO AS TO CREATE ANY ADVERSE CLAIM UPON THE AMOUNT OF THE INTEREST/REDEMPTION WARRANT. NOW IT IS HEREBY AGREED THAT IN CONSIDERATION OF ISSUING A DUPLICATE WARRANT FOR THE SAID AMOUNT I/WE HEREBY CONVENANT AT ALL TIMES HEREAFTER AND FROM TIME TO TIME SAVE, DEFEND AND KEEP INDEMNIFIED THE COMPANY AND THEIR ESTATES AND EFFECTS FROM AND AGAINST ALLOCATIONS, COSTS, SUITS, LEGAL PROCEEDINGS, ACCOUNTS, CLAIMS, DEMANDS, LOSSES, CHARGES, EXPENSES AND LIABILITIES, OF WHATSOEVER NATURE WHICH THE COMPANY MAY SUSTAIN OR INCUR BY REASON OF SUCH ISSUE OF DUPLICATE INTEREST/REDEMPTION WARRANT AND ALSO FROM AND AGAINST ANY ACTION WHICH MAY BE BROUGHT AGAINST THE COMPANY BY ANY CLAIMING THE INTEREST ACCRUED THEREON AND FROM AND AGAINST ALL DAMAGES, COSTS, CHARGES, EXPENSES WHICH THE COMPANY MAY INCUR IN RESPECT THEREOF OTHERWISE IN RELATION TO THE PREMISES. IT IS HEREBY FURTHER AGREED THAT I/WE HEREBY UNDERTAKE TO RETURN AND DELIVER SUCH DUPLICATE INTEREST/REDEMPTION WARRANT TO THE COMPANY ON DEMAND BY THE COMPANY AND WITH OR WITHOUT SUCH DEMAND TO PRODUCE AND/OR RETURN THE ORIGINAL INTEREST/REDEMPTION WARRANT RECEIVED AT THEIR OWN COST AS THE COMPANY SHALL REQUIRE FOR THE RECOVERY THEREOF OR OTHERWISE IN RELATION TO THE PREMISES. IN WITNESS WHEREOF I/WE HERETO HAVE HEREUNTO SET AND SUBSCRIBED OUR RESPECTIVE HAND AT

----- ON ----- DAY OF -----,
(PLACE) (DATE) (MONTH) (YEAR)

<u>WITNESS</u>	<u>INVESTOR</u>
SIGNATURE:	SIGNATURE:
NAME:	NAME:
ADDRESS:	ADDRESS: