

## FAQ's on ECS

### **1 - What is Electronic Clearing Service (ECS)?**

**Answer:**

Under this system, you can receive your dividend electronically by way of direct credit to your bank account. This avoids a lot of hassles like loss/fraudulent interception of dividend warrants during postal transit. This also expedites payment through credit to your account compared to dividend warrants in physical form. We strongly recommend that if you have not already opted for Electronic Clearing Service, you may please do so.

### **2 - How can I avail of the Electronic Clearing Service facility?**

**Answer:**

In case you are holding shares in physical form, you should submit the ECS form duly completed along with a photocopy of a leaf of your cheque as advised in the Form and we shall take due note of the same in our records. As a result, all subsequent dividends will be paid to you through direct credit to your bank account. However, if the shares are in demat, please get in touch with your DP.

### **3 - Is the ECS facility available across the country?**

**Answer:**

No. The Reserve Bank of India has enabled ECS facility at select cities only. This facility is being provided by most of the companies to the investor based cities viz., Ahmedabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Delhi, Guwahati, Hyderabad, Jaipur, Kanpur, Luknow, Ludhiana, Mumbai, Nagpur, Patna, Pune, Surat, Trivendram and Vadodra.

### **4 - What is an ECS Facility?**

**Answer:**

The applicant having a bank account in one of the aforesaid 64 (bank) centers will get refunds through ECS. You are requested to ensure that bank details including MICR code ( a 9 digit code which appears in the cheque leaf) maintained at the depository level are updated at your DP end The bank account details will be directly taken from the depositories' database and hence are not required to be filled in the application form for issues wholly made in dematerialized form. You shall get individual intimations about details of the bank where refund amount (if any) have been credited .These intimation shall be dispatched by the Registrars within 15 days ( in case of a Book Built issue) and 30 days (in case of Fixed price issue) from the closure of the issue. SEBI has provided for various mode of making refund to the applicants viz. Direct Credit, RTGS (Real Time Gross Settlement), ECS (Electronic Clearing Service) and NEFT (National Electronic Funds Transfer). As stated above, applicants in 64 centers where clearing houses are managed by RBI and other banks will get refunds through ECS . Applicants at other centers will continue to get refunds through Registered/Ordinary post.

**5 - What are the benefits of availing ECS facility?**

**Answer:**

This avoids a lot of hassles like loss/fraudulent encashment of dividend warrant during postal transit. Payment is directly coming to your account through Banking Channels. So, there will be no wait for receipt of dividend warrants and depositing into your bank.