

Demat and Remat of Securities



Indian Securities Market - Overview



Starting Investment in Securities Market

Accounts Required



Bank Account



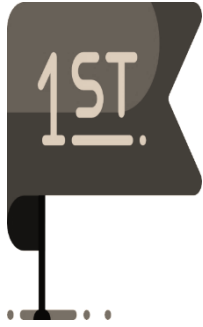
Trading or Broking Account



Demat Account

Many DPs offer a 3-in-1 account opening facility which gives you the convenience of opening a trading, demat and bank account – all together. Now many DPs are offering online demat account opening. Trading or Broking account is required only if you want to buy / sell shares through stock exchange.

About NSDL



1996

First Depository
in India



One of the leading Depositories in
the world

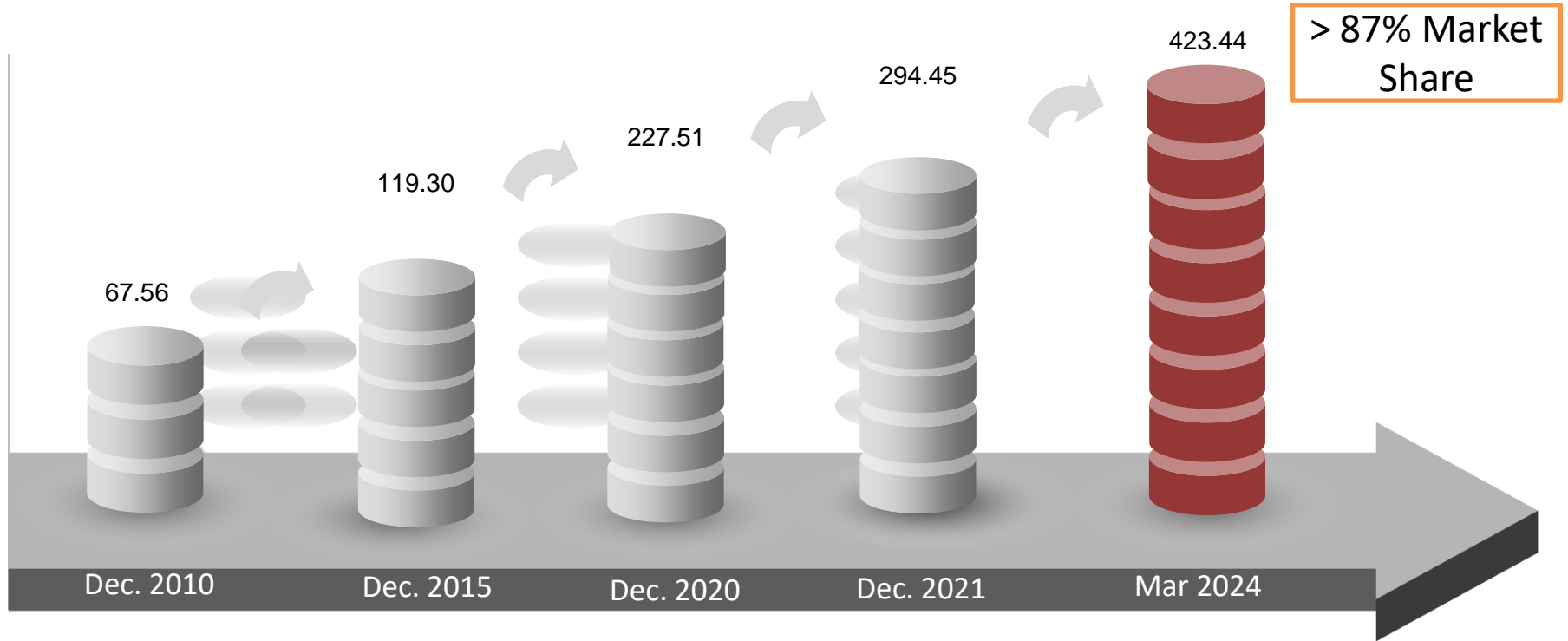


Demat accountholders present
in 99.27% of pincodes in India

Wide service network – all States
and UTs

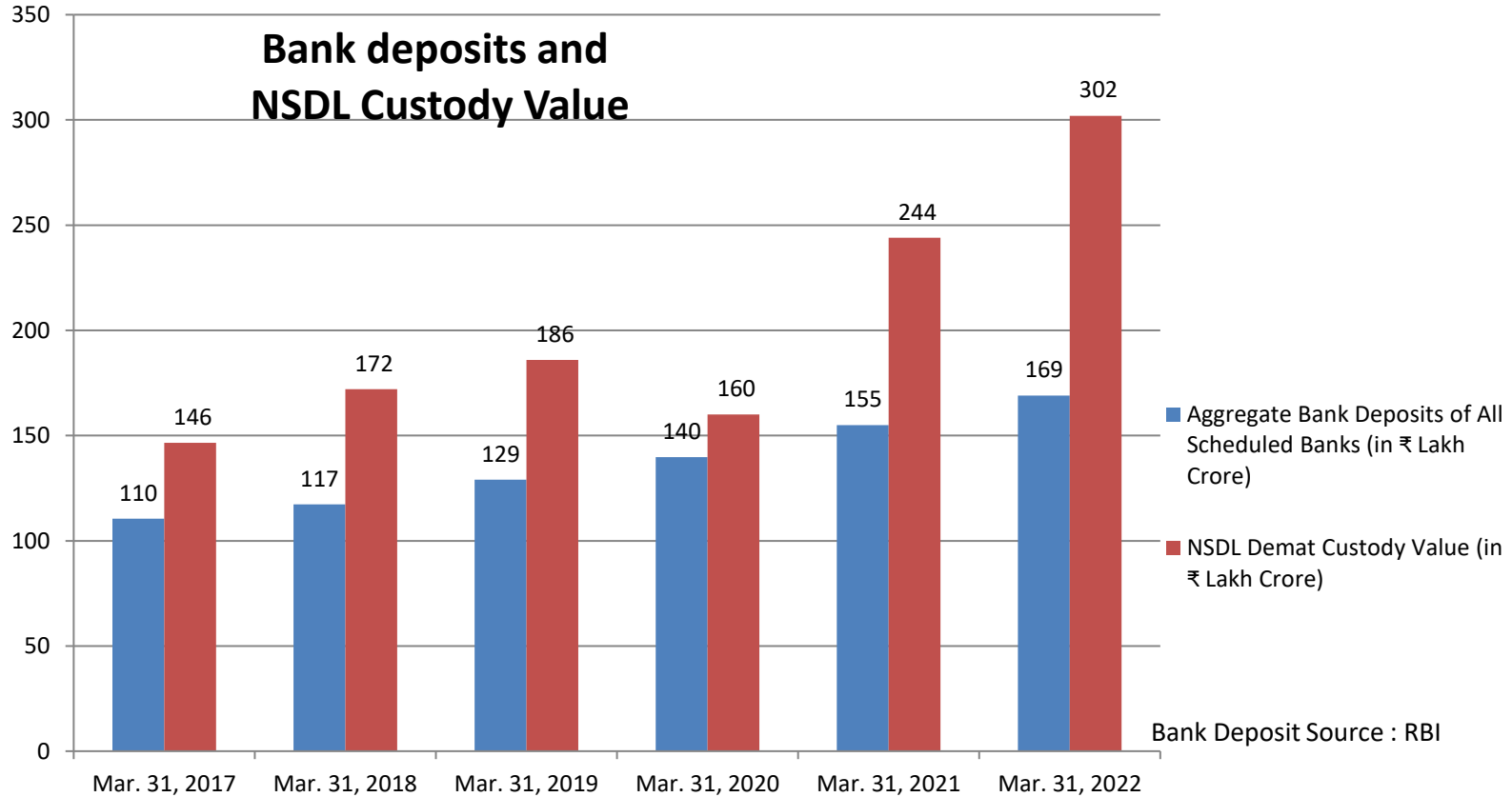
No. of Service Centres – 61,298

Growing Custody Value

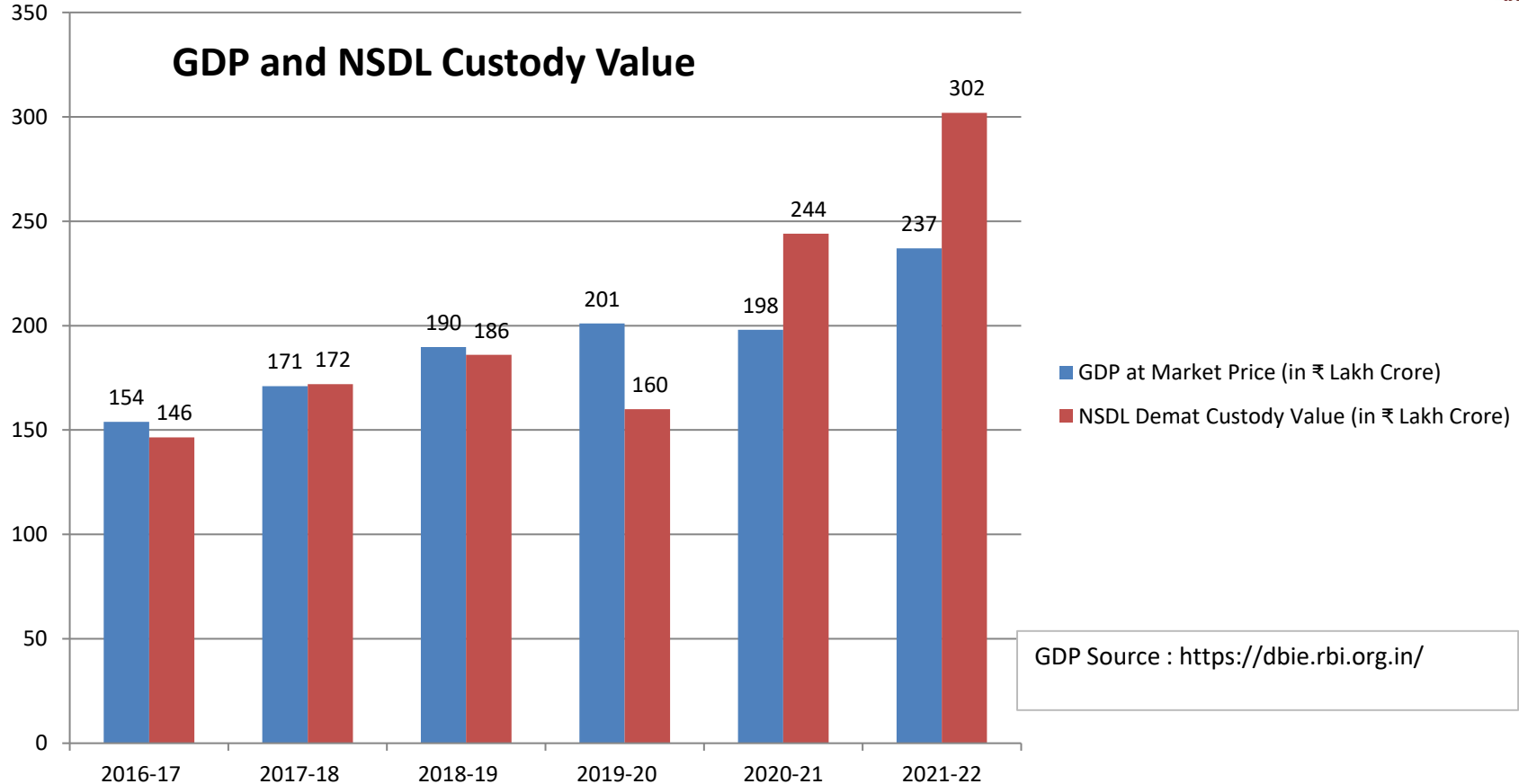


Total Value of All Assets Held In All NSDL Demat Accounts in ₹ Lakh Crore

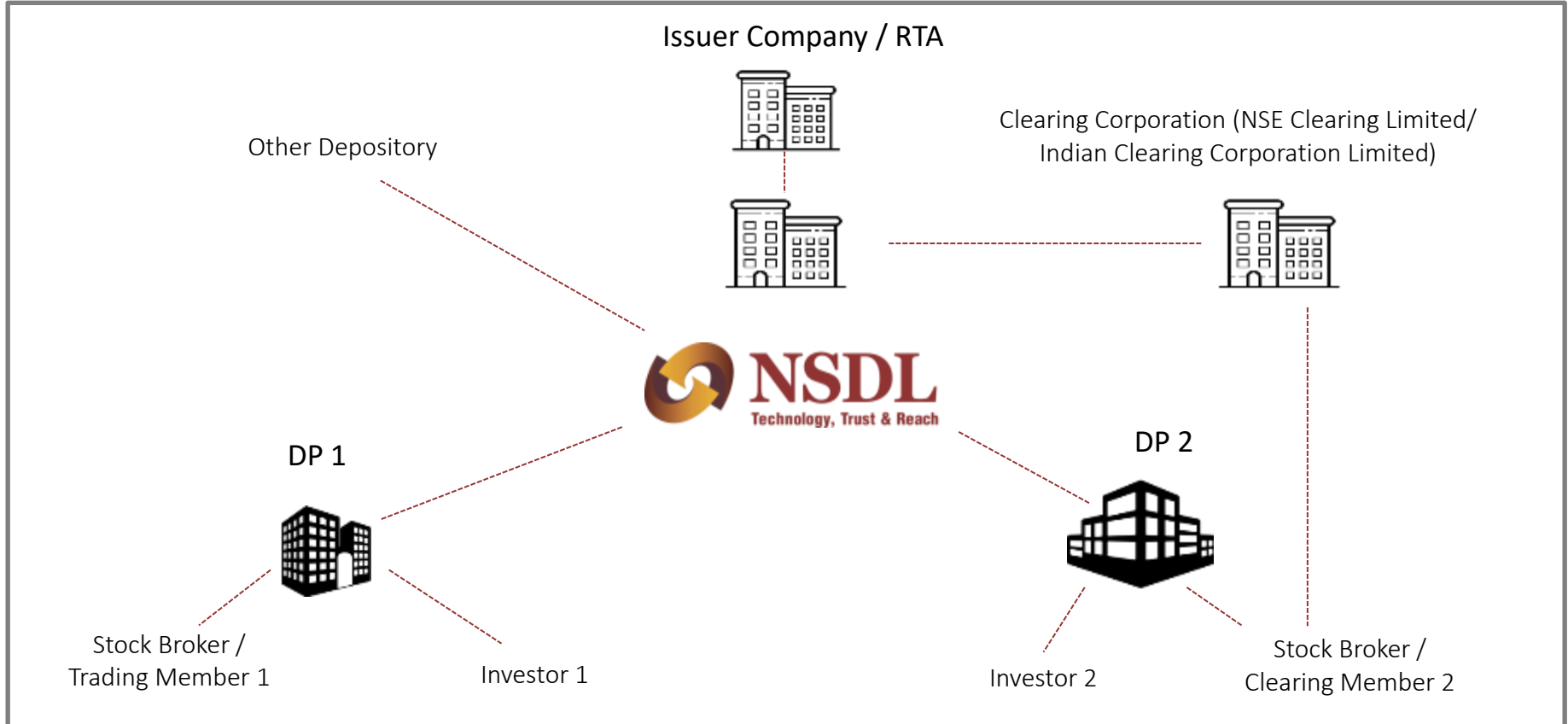
NSDL's Progress



NSDL's Progress



Indian Securities Market - Depository System



Services offered by Depository Participant



*Even unlisted shares can be dematerialized. **Transfer of securities held in physical form not allowed w. e. f. April 1, 2019. Re-lodgement of transfer deeds which were submitted prior to this, but were rejected or returned, was allowed till March 31, 2021. Shares pending for transfer with listed company / its RTA shall be issued only in demat.

Key points on Anti-Money Laundering

Legislative and Regulatory References

- Prevention of Money Laundering Act, 2002
- Prevention of Money Laundering (Rules), 2005
- SEBI Master Circular – October 15, 2019

What is Money Laundering (ML)?

- Money Laundering is “the process in which the proceeds of crime are converted and disguised as legitimate assets”

What is Anti-Money Laundering (AML)?

- Anti-Money Laundering is “the initiative to effectively prevent, detect, control and report ML activities to the authorities”

What are Suspicious Transactions?

Transactions (including attempted transactions), that may involve proceeds from a predicate offence, do not have any economic rationale, made in circumstances of unusual or unjustified complexity or gives rise to a reasonable ground of suspicion that it may involve financing of activities relating to terrorism

Key Authorities – Financial Intelligence Unit (FIU-IND), Ministry of Home Affairs and the Enforcement Directorate

Key points for all Investors

Individuals:

- Provide officially valid documents for proof of identity and address
- Furnish correct information on income, occupation, business, marital status, etc.
- Provide accurate financial information – salary or business income as applicable
- Inform about any changes to the above information
- Invest only using own sources of funds, not third party funds
- Do not fall prey to any gimmicks or schemes from anyone

Non – Individuals:

- Provide officially valid documents for proof of identity and address
- Furnish information about Beneficial Owner(s), where applicable
- Furnish all other related documents (AoA, MoA, Partnership deed, ASL, etc.)
- Provide correct information about nature and type of business
- Changes to the above information may be duly informed to DPs

Cooperate with DPs who may seek any additional information for due diligence

Be diligent and aware about various money laundering schemes

Contact your DP or broker in case of any doubts

Be a Prudent Investor



Keep record of documents signed, account statements, contract notes received and payments made. Save important emails and take periodic back up of data.

Change password of your online accounts frequently.
Never share your passwords, OTP, CVV and PIN with any one.
Never click on suspicious links received via SMS, email or social media platforms.

Read SMS, emails, letters, statements, bills sent by your broker, bank, DP and NSDL. These are sent to you to keep you updated.

Accept the DIS only if serial number is pre printed and Client ID is pre stamped or pre printed. Keep DIS in safe custody. Do not to leave the DIS “blank or signed” with the Depository Participants (DPs) or any other person/entity when not in use.

Be a Prudent Investor



Inform your DP about any change in your Personal Information such as address, bank account immediately.

Always mention your Mobile Number and email ID in account opening form and keep them updated.

NSDL publications and presentations are available in Hindi, English and other languages at www.nsdل.co.in → Education

Schedule of Awareness Programs, Registration, Feedback and Webinar Recordings are available at www.nsdل.co.in → Education

Be a Prudent Investor – Don'ts



Never deal with any unregistered or unauthorised market intermediary. Check on the SEBI's website that your stock broker / authorised person, mutual fund distributor, investment advisor are registered with SEBI.

Never invest with borrowed money. Avoid unnecessary loans and credits.

Be a Prudent Investor

**Nominate Karo - Surakshit, Samajhdaar,
aur Atmanirbhar Niveshak Bano !**



Hurry!! Last date is

June 30, 2024

NOMINATE YOUR LOVED ONES TODAY!!

Opting-in/Opting-out of nomination is mandatory in your Demat Account to avoid your account becoming inactive



SCAN TO
KNOW
MORE



SCAN TO
NOMINATE
ONLINE*

*Applicable to single demat account holder (Resident Individual) who have not opted-in/opted-out for Nomination in their demat account.

Be a Prudent Investor

Do Not Fall Prey To Stock Tips, Hot Picks etc. Circulated on Twitter, Instagram, WhatsApp, Telegram, Unsolicited SMS, YouTube Channels etc.



Be a Prudent Investor – Consult a SEBI Registered Investment Advisor and Do Your Own Homework Before Investing

Be a Prudent Investor

Do Not Invest In Any Ponzi Scheme, Unregistered Collective Investment Scheme or Any Other Schemes Promising Unrealistic Returns



Be a Prudent Investor – Consult a SEBI Registered Investment Advisor and Do Your Own Homework Before Investing

NSDL Newsletter for Investors

The Financial Kaleidoscope – Free monthly newsletter

**Invest in Women,
Accelerate progress**



www.nsdl.co.in

Education

Newsletter – The
Financial Kaleidoscope



<https://investor.sebi.gov.in>



Dive into Money Matters to grasp Personal Finance concepts.



Abundant Educational Resources, related to investments, including securities market



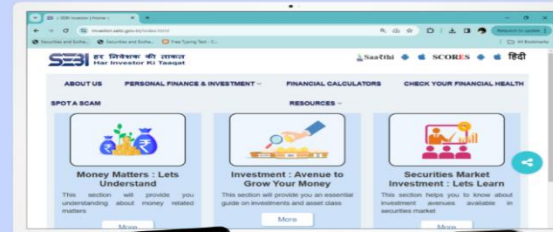
Access a range of Financial Tools and Calculators.



Evaluate your Financial Health with the easy check.

Join on a journey of informed decision-making and confident participation in the securities market.

UNLOCK THE **WEALTH OF KNOWLEDGE**
AT THE SEBI INVESTOR WEBSITE
Empower yourself in the world of investing



TO VISIT THE SEBI INVESTOR WEBSITE, SCAN THE QR CODE



Learn to Manage Your Money for Financial well-being. For more information, please visit SEBI's Investor website <https://investor.sebi.gov.in>

SEBI's Mobile App for Investor Education



SAARTHI

SEBI SCORES Education

E Everyone

 Add to wishlist



If You are holding Securities in Paper form

1. Provide PAN, KYC information and Nomination to RTA / Company for all joint holders.
2. Get PAN and Aadhaar linked for all joint holders.
3. Folio may be frozen if not complied.
4. Electronic interface provided by company / RTA for various service requests like issuance of duplicate shares, transmission, change in name etc.
5. SEBI has prescribed 'Simplified and Standard Norms' for processing of various service requests [Form ISR – 1 and other forms available on website of listed company / RTA].

Grievances Redressal

1. Read Investor Charter at www.nsdl.co.in → Education
2. Lodge your complaint with SEBI at <https://scores.sebi.gov.in/> or SEBI Mobile App – SCORES.
3. For filing dispute for resolution by conciliation and arbitration, visit SEBI's Securities Market Approach for Resolution Through ODR (SMART ODR) Portal <https://smartodr.in/login>
4. SEBI Toll free helpline - 18002667575 / 1800227575
5. NSDL helpline - 022-48867000
6. Online submission of Grievances at www.nsdl.co.in → Query related to Demat
7. NSDL email for grievance - relations@nsdl.com
8. NSDL email for other information - info@nsdl.com





Be alert.

Never click on unknown links... you may risk exposing your bank account to frauds.

Money Kumar

Beware of unknown links:

- Delete SMS/emails with unknown links immediately
- Verify details of website if it requests financial details
- Do not share personal or bank information on social media



For more details, visit <https://rbikehtahai.rbi.org.in/dp>



Issued in public interest by भारतीय रिज़र्व बैंक RESERVE BANK OF INDIA www.rbi.org.in

DigiSaathi, 24/7 helpline for automated responses on information related to digital payment opt
Toll-Free Number: 1800-891-3333; A Short Code: 14431; Website: www.digisaathi.info



Be cautious while scanning QR codes to make payments. Be alert of online loan apps and quick-win lottery schemes

Beware of links offering:

- Unauthorised Digital Lending Apps
- Fake Lottery Schemes

- While making payments using QR code confirm the name on the screen
- Never download Lending Apps from unknown sources
- Do not share personal or bank information with unknown entities



For more details, visit <https://rbikehtahai.rbi.org.in/dp>



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Be smart. Verify the credentials of unknown callers, investment portal sites and requests for urgent help for money through social media.

Prasidh Krishna
Indian Cricketer, RBI Employee



Beware of fraudsters:

- Do not answer calls/emails from unknown persons demanding money
- Check details of websites/Apps offering high returns
- Verify requests for urgent help for money



For more details, visit <https://rbikehtahai.rbi.org.in/dp>



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Demat and Remat of Securities

Dematerialisation

What is dematerialisation?



1. Means conversion of physical securities into electronic form
2. All kinds of securities such as equity shares, preference shares, debentures, bonds, mutual fund units, government securities, sovereign gold bonds etc., can be dematerialized.
3. Unlisted securities can also be held in demat form.



Pre-Requisites

1. Have a demat account with any DP.
2. Securities should be available for dematerialisation (active ISIN).
3. You can find ISIN and its status at www.nsdl.co.in —> Company search.
4. Check that RTA of the company has not stopped service.
5. List of companies with high pendency of demat request is available at www.nsdl.co.in —> Company search.

How to Demat your physical securities?



1. Obtain Demat Request Form (DRF) from your DP



2. Fill it properly and sign it



3. Submit DRF and certificates to your DP

Remember



1. DRF should be signed by all holders.

2. Pattern of holdings in the certificates should match with demat account.

3. Separate DRF should be submitted for –

- ✓ Each ISIN
- ✓ Free and locked in securities
- ✓ Securities locked-in for different reasons and different lock-in release dates

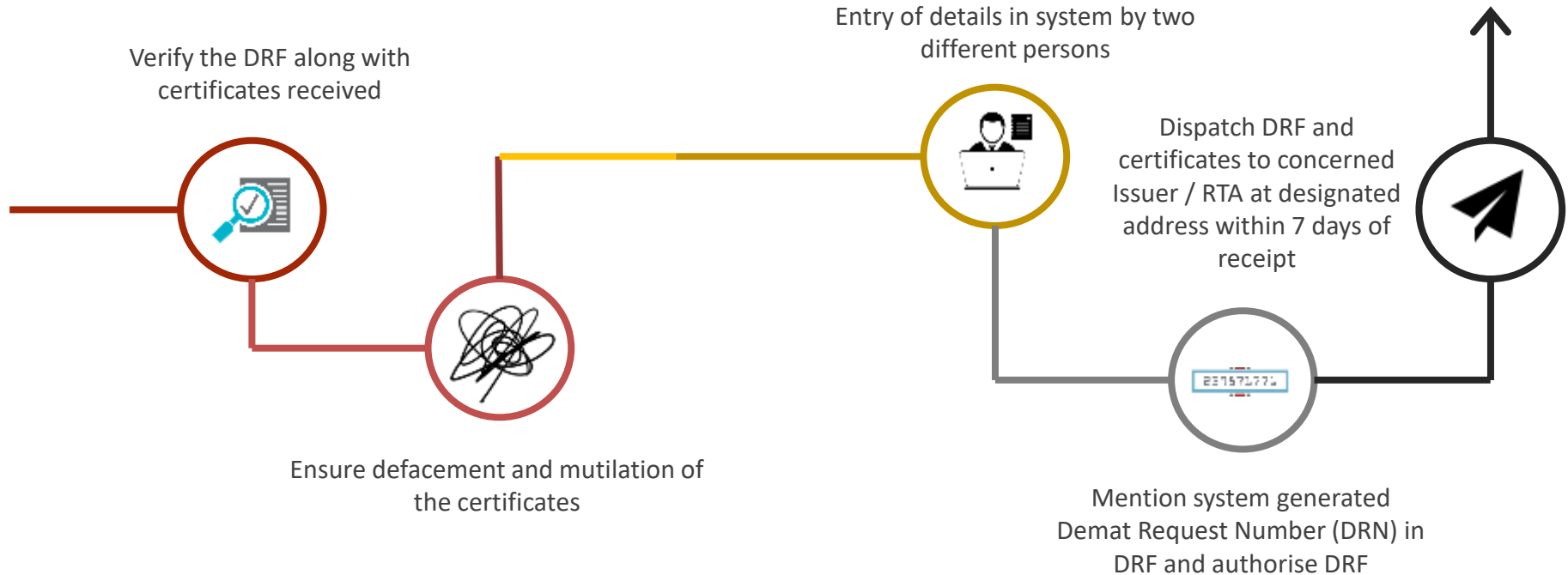
What is ISIN?

1. ISIN stands for International Securities Identification Number.
2. It is 12-characters unique identification number for each security.
3. As National Numbering Agency for India, SEBI has authorised NSDL to allot ISINs for all securities (except for Government Securities) as per ISO-6166 standards.
4. Same ISIN is used by both depositories.

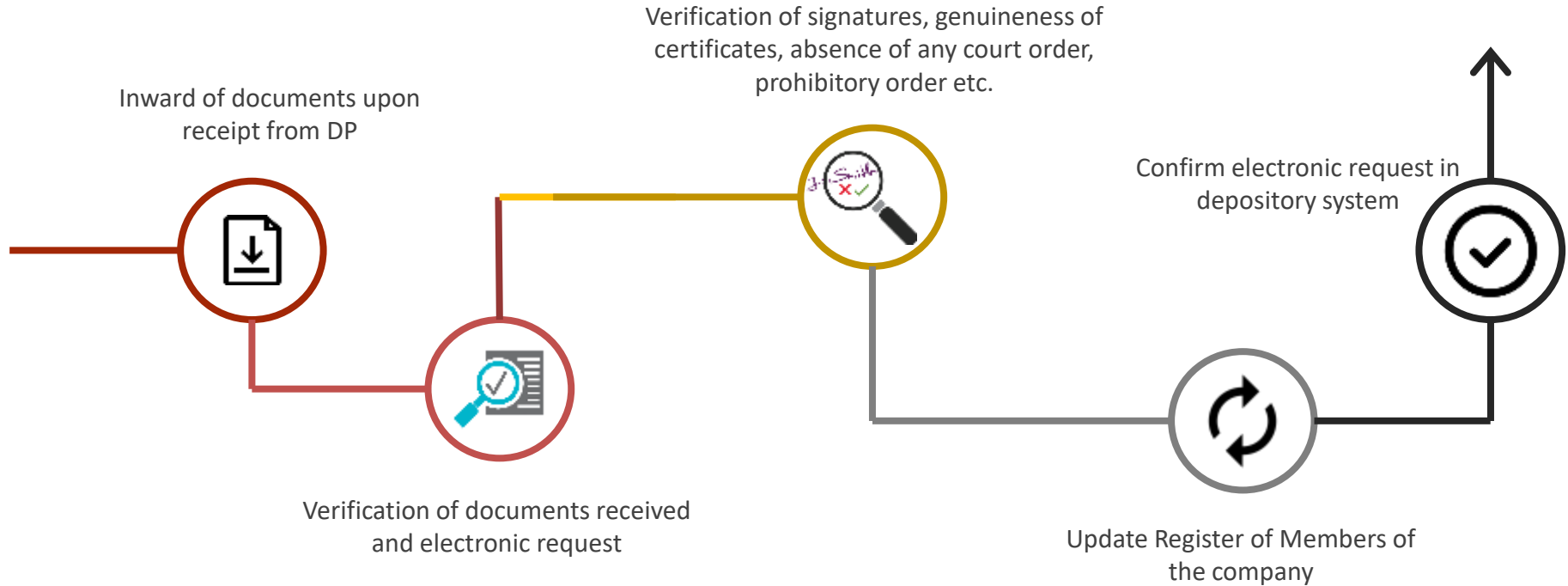
Structure of ISIN - IN E 001A 01 01 0

- 'IN' stands for INDIA
- 3rd digit - 'E' stands for Company, 'F' stands for Mutual Fund
- 4th to 7th digits - '001A' for Company identity
- 8th & 9th digits – '08' for Security code
- 10th & 11th digits - serial no. / type of the instrument
- 12th digit - check digit

Procedure of Demat at DP



Processing at Issuer / RTA



Defacing Physical Certificate

Reliance Industries Limited
(Incorporated under The Companies Act, 1956)
Registered Office - 3rd Floor - Maker Chambers - IV, 222, Nariman Point, Bombay - 400 021

225601 1/ 1 0225601

Stamp duty exempted under Article 27 of the First Schedule of The Indian Stamp Act, 1899

DEBENTURE CUM SHARE CERTIFICATE (SERIES - H) CONVERTIBLE PART (PART - A)

Upto the close of business on August 25, 1993, this document shall operate as a Debenture Certificate in respect of the Convertible Part A of Rs. 55/- per Debenture comprised in the issue of 3,64,60,000 - 12.5% Secured Redeemable Partly Convertible Debentures of Rs. 150/- each aggregating Rs. 546.90 crores made inter alia, in terms of the Letter of Offer dated November 30, 1991 and in terms of the Debenture Trust Deed dated 20th February, 1993 ("the Trust Deed") made between the Company and The Industrial Credit and Investment Corporation of India Limited, ("The Trustees") consisting of Two Parts namely Convertible Part A of Rs. 55/- per Debenture and a Non Convertible Part B of Rs. 95/- per Debenture and shall, with effect from August 25, 1993 operate as a Share Certificate in respect of the Equity Shares consequent upon conversion of the Convertible Part A of Rs. 55/- per Debenture into One Equity Share of Rs. 10/- each at a premium of Rs. 45/- per Share.

DEBENTURE CERTIFICATE (upto 25th August, 1993)

(Authorised Signatory)	Amount Paid-up per Debenture on First call on	Rs.	(Authorised Signatory)	Amount Paid-up per Debenture on Second call on	Rs.
					Rs. 15.00

CONVERTIBLE PART A OF RS. 55/- OF 12.5% SECURED REDEEMABLE PARTLY CONVERTIBLE DEBENTURES EACH OF RS. 150/-

SHARE CERTIFICATE (with effect from 26th August 1993)

EQUITY SHARE EACH OF Rs. 10.00

AMOUNT PAID UP PER SHARE Rs. 5.00

FOLIO NO.: 28043244 CERT NO.: 12530601

AMOUNT PAID UP PER EQUITY SHARE ON FIRST CALL ON 8-12-1993 Rs. 5.00

(FULLY PAID-UP)

Name(s) of Holder(s) **REKHA ARVIND PARMAR**

No. of Debenture(s) held (Upto 25th August, 1993) **ONE ONLY** (*****1)

Distinctive No.(s) of Debenture(s) **093247413 TO 093247413**

No. of Equity Share(s) held (From 26th August, 1993) **ONE ONLY** (*****1)

Distinctive No.(s) of Equity Share(s) **256344273 TO 256344273**

This Certificate is issued in lieu of Letter of Allotment No. **1850564** which ceases to be valid/effective upon issue of this Debenture Certificate.

The Equity Shares shall rank par passu in all respects with the then existing Equity Shares of the Company and shall rank for dividend in proportion to the amount paid up thereon and pro-rata thereon.

Company at Delhi the 25th February, 1993.

SHAH INVESTORS HOME LTD.
DP ID IN : 300343
Client ID : 1229549.0

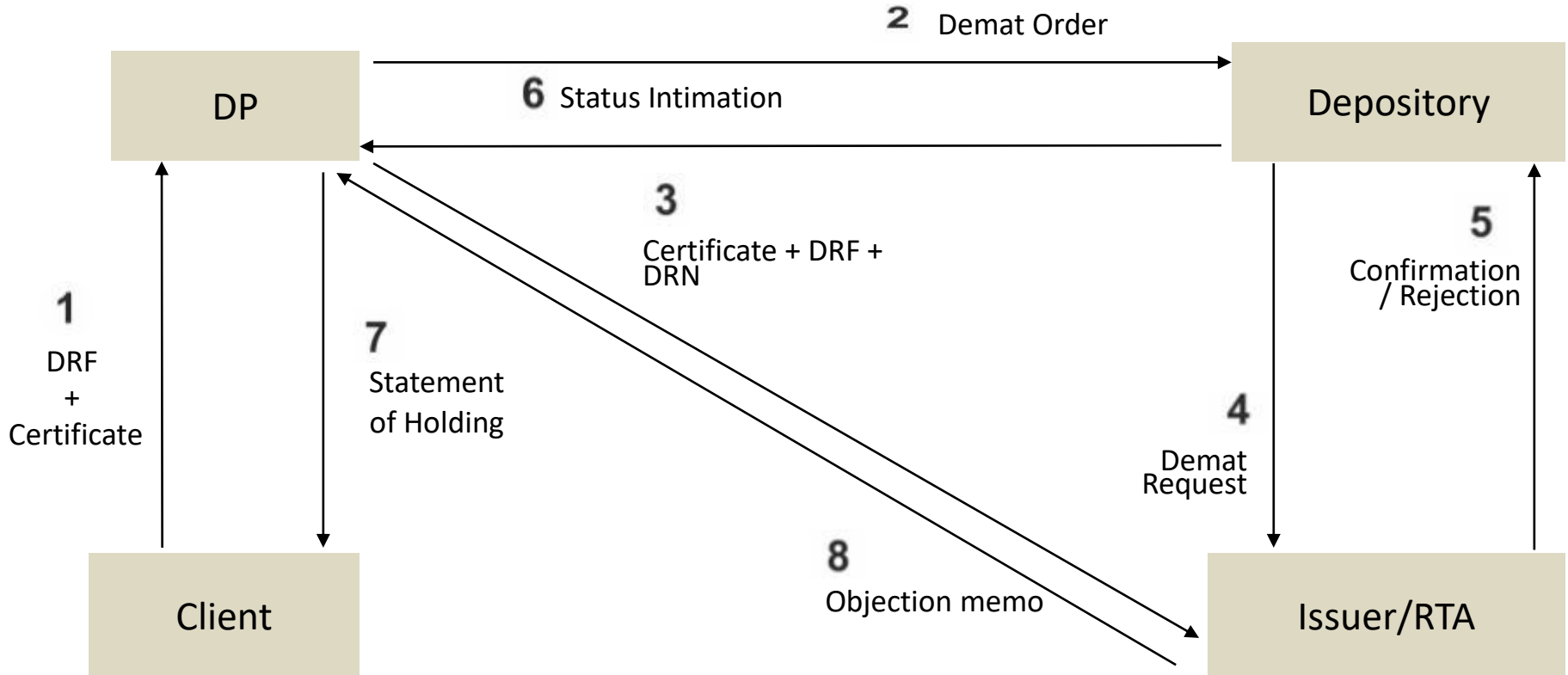
Reliance (Stamp)

JOINT MANAGING DIRECTOR (Signature)
DIRECTOR (Signature)

AUTHORISED SIGNATORY

Note: No transfer of the above Debentures/Shares will be registered unless accompanied by this Certificate.

Demat Process



Compulsory demat for pending Transfer Deeds

1. Transfer of listed securities held in physical form not allowed w. e. f. April 1, 2019. (Transfer of securities belonging to unlisted public companies is also not allowed.)
2. Re-lodgement of transfer deeds which were submitted prior to this, but were rejected or returned, was allowed till March 31, 2021.
3. Shares pending for transfer with listed company / its RTA shall be issued only in demat.
4. Upon re-lodgement of transfer deed, RTA shall retain the physical shares and inform the transferee about the execution of transfer through 'Letter of Confirmation'.
5. Transferee shall submit a demat request to its DP on the basis of 'Letter of Confirmation' within 90 days.
6. Demat request shall be processed by DP on the basis of 'Letter of Confirmation'.
7. Request shall be processed by RTA and upon confirmation, shares shall be credited in transferee's demat account.
8. In case transferee does not submit demat request within 90 days, shares shall be kept in 'Suspense Escrow Demat account' of the Company.

How to Dematerialise Mutual Fund Units?



1. All the existing mutual fund units issued by all the mutual fund companies are available for conversion to demat form.
2. All New Fund Offers have option to subscribe directly in demat form.
3. ISIN of your mutual fund units can be seen in the statement of account or you can find at www.nsdl.co.in.
4. You need to submit a 'Conversion Request Form' along with Statement of Account received from mutual fund company to your DP.
5. All existing mutual fund investments through SIP mode can also be converted into demat form.

How to Dematerialise Mutual Fund Units?



6. You may submit a single request for conversion of All the existing mutual fund units held in one folio with any mutual fund company to demat form. This is known as 'Folio based' conversion of units into demat form.
7. You may also submit a single request for conversion of All the existing mutual folios held with different mutual fund companies to demat form by quoting your NSDL CAS ID.
8. In above options, conversion request will be generated for All the units held in a folio as per information made available to NSDL by respective mutual fund registrar as on end of previous month.

Common Reasons for Rejection of Demat Request



1. Incorrect Holder(s) name / Pattern
2. Certificate details mismatch
3. Transmission Form / Death Certificate not submitted
4. Signature mismatch
5. Mismatch between share quantity received and DRF quantity
6. Shares under stop transfer / court injunction
7. Allotment / Call Payment receipt not attached
8. Certificates sent are reported stolen
9. Duplicate certificates already issued
10. Old defunct certificates surrendered for demat
11. Forfeited securities surrendered for demat
12. Forged endorsement on certificate

What to do in case of Rejection of Demat Request?



1. Your DP will inform you about the rejection of demat request.
2. You can also see the transaction status in your statement of transactions.
3. Understand the reason for rejection from Objection Memo sent by Issuer / RTA.
4. Rectify the errors / remove the deficiency in the documentation.
5. Submit demat request once again through your DP.

Transposition Cum Demat Facility

Name in the	Share Certificate	Demat Account
Two holders	A and B Or B and A	A and B
Three holders	A , B, C Or A, C, B Or B, A, C Or B, C, A Or C, A, B Or C, B, A	A, B and C

Submit Demat Request Form (DRF) along with Transposition form to your DP.

Transmission

In the event of	Nomination given	Nomination not given
	Transmission in favour of	
Death of single holder	Nominee	Legal heir (as per Succession Certificate / Will / Probate / Letter of Administration)
Death of one of the joint holders	Surviving joint holder(s)	Surviving joint holder(s)
Death of all the joint holders	Nominee	Legal heir (as per Succession Certificate / Will / Probate / Letter of Administration)

Transmission Cum Demat Facility

Share Certificate	In the event of	Demat Account
A and B Or B and A	Death of one of the joint holders – A	B
A and B Or B and A	Death of both holders – A & B	C (Legal heir)

Submit DRF along with death certificate (s) and Transmission request to your DP.

Rematerialisation

Rematerialisation means conversion of securities held in demat form to physical form



Procedure

1. Client has to submit Remat Request Form (RRF) to DP
2. RRF should be signed by all holders
3. Separate RRF should be submitted for -
 - Each ISIN
 - Free and locked in securities
 - Securities locked-in for different reasons and different release dates

! Pre-requisites: Sufficient balance of securities in account

Procedure of Remat at DP



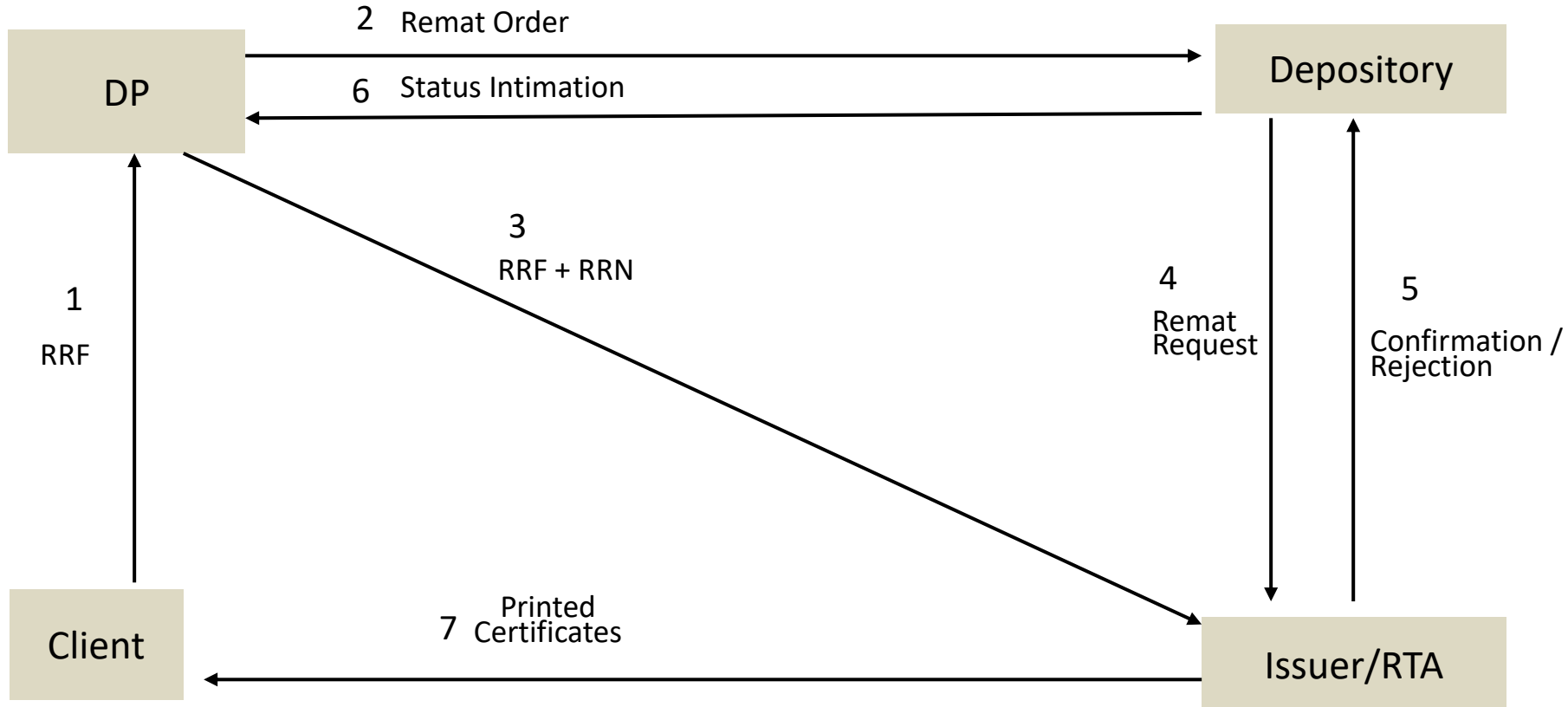
1. Verify signature on RRF with depository system
2. Verification of sufficient balance in the client's account
3. Entry of details in depository system by two different persons
4. Mention system generated Remat Request Number (RRN) in RRF and authorise the RRF
5. Dispatch RRF to concerned Issuer / RTA at designated address within 7 days of receipt

Processing at Issuer / RTA



1. Inward of documents upon receipt from DP
2. Verification of documents received and electronic request
3. Update Register of Members of the company
4. Confirm electronic request in depository system
5. Printing and dispatch of physical certificates to client within 30 days

Re-materialisation Process



Common Reasons for Rejection of Remat Request



1. Incomplete or incorrect RRF
2. RRF details mismatch with electronic request
3. Non receipt of RRF by Issuer / RTA

Redemption of Mutual Fund Units held in demat form

1. Online redemption is possible at SPEED-e.
2. Redemption request can be given to DP also.
3. Redemption proceeds shall be credited to bank account linked to your demat account directly by mutual fund company.
4. Sell of units through stock broker is possible.

Be a Prudent Investor

Happy Investing


Demat Ki Paathshala - An initiative by NSDL for Investor Education

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THANK YOU



We welcome your feedback and suggestions about this program at www.nsdل.com.in /
info@nsdل.com