

DEPUTY GENERAL MANAGER
Market Regulation Department – Division of Policy
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SEBI/MRD/DoP/SE/RTA/Cir-03/2010
January 07, 2010

1. The Executive Directors/ Managing Directors
of all Stock Exchanges
2. Registrars to an Issue and Share Transfer Agents

Dear Sir/Madam,

Sub: PAN requirement for transmission of shares in physical form

1. The Securities and Exchange Board of India (SEBI) vide circular ref. no. MRD/DoP/Cir-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions. Thereafter, vide circular no. MRD/DoP/ Cir-05/2009 dated May 20, 2009 it was clarified that for securities market transactions and off-market/ private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/ RTAs for registration of such transfer of shares.
2. Based on representations/ clarifications sought by market participants and in continuation to the aforesaid circulars, it is hereby clarified that it shall be mandatory to furnish a copy of PAN in the following cases –
 - 2.1. Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.
 - 2.2. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - 2.3. Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.
3. In case of mismatch in PAN card details as well as difference in maiden name and current name (in case of married women) of the investors -
 - 3.1. The RTAs can collect the PAN card as submitted by the transferee(s). However, this would be subject to the RTAs verifying the veracity of the claim of such transferee(s) by collecting sufficient documentary evidence in support of the identity of the transferee(s) as provided for at para. 2 in the SEBI circular no. MRD/DoP/Dep/Cir-29/2004 dated August 24, 2004 read with SEBI circular no. MRD/DoP/Cir-08/2007 dated June 25, 2007.

4. All Stock Exchanges are advised to:-
 - 4.1. implement the above by making necessary amendments to the bye-laws and Listing Agreement, as applicable;
 - 4.2. bring the provisions of this circular to the notice of the listed companies for necessary compliance and also to put the same on their website for easy access to the investors; and
 - 4.3. communicate to SEBI the status of the implementation of the provisions of this circular and the action taken in this regard in the Monthly Development Report.
5. All Registrars to an Issue and Share Transfer Agents are advised to:-
 - 5.1. take necessary steps to implement the above decision.
 - 5.2. disseminate the provisions of this circular on their website.
6. This circular is issued in exercise of powers conferred under section 11(1) of the Securities and Exchange Board of India Act, 1992, read with section 55A of Companies Act to protect interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

HARINI BALAJI