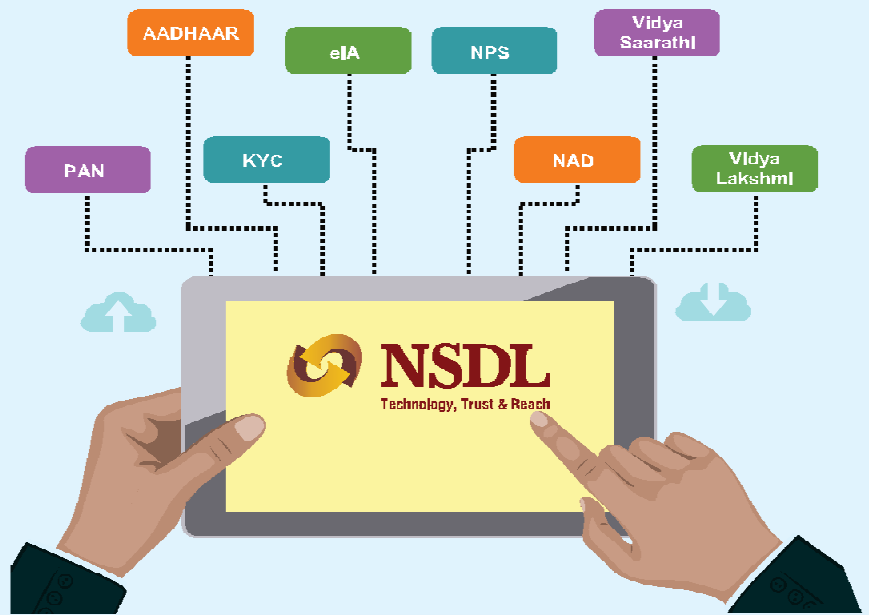


Easier & faster
Online



From The Editor's Desk

In today's time, it has become almost mandatory to have variety of documents to remain part of a larger society to avail various services and benefits offered by state and non-state service providers. It is not incorrect to say that in this age of technology, humans are tied with so many documents. For example, you need to have a valid driving licence if you want to drive a vehicle, you need a voter identity card to participate in election process, a PAN card is required if you want to file income tax return, so on and so forth. Even for opening a bank account, one needs to provide proof of identity and address. Many of us find it difficult to understand the procedure and requirements for obtaining these documents.

This issue of The Financial Kaleidoscope intends to serve as basic 'How to...?' guide for obtaining certain often required documents and availing some other beneficial services. As always, your comments and suggestions are welcome.

Regards,

Team NSDL

Permanent Account Number (PAN)

Permanent Account Number (PAN) or PAN Card, as it is popularly known, is a ten-digit unique alphanumeric series allotted by Income Tax Department. Though it is primarily required for income tax purposes, over the period, PAN card has become one of the most sought after document as proof of identity for many other purposes. As the name itself suggest, once it has been allotted on the basis of information provided, it does not change for any individual or entity, even if there is change in the name, address or other information given in the application. One can simply apply for update in the information and/a new PAN card bearing the same PAN is issued to the applicant.

NSDL e-Governance Infrastructure Limited (NSDL e-Gov) and UTI Infrastructure Technology and Services Limited (UTIITSL) are the two agencies authorised by Income Tax Department for accepting application for PAN. Any individual who does not have PAN and needs to apply for it, can apply through any of these agencies. These agencies have setup their centres across the country. You can submit the application form online or visit the nearest service centres of NSDL e-Gov (details available at www.tin-nsdl.com) or UTIITSL (details available at www.utiitsl.com).

Application for allotment of PAN should be submitted in a format specified by Income Tax Department (known as Form 49A for Indian citizens). Blank application form can be obtained from any authorised centre appointed by NSDL e-Gov or UTIITSL without any charge or may be downloaded from their website also. Following documents are required to be submitted along with PAN application * –

1. Proof of Identity (POI): Copy of any of the following documents :

Aadhaar card, Elector's photo identity card (Voter card), Passport, Driving License, Ration card having photograph of the applicant.

2. Proof of Address (POA): Copy of any of the following documents :

Aadhaar card, Elector's photo identity card (Voter card), Passport (own or of spouse), Driving License, Post office passbook having address of the applicant, utilities bills (not more than three months old) such as - Electricity Bill, Water Bill, Landline telephone or broadband connection bill.

3. Proof of Date of Birth: Copy of any of the following documents :

Aadhaar card, Elector's photo identity card (Voter card), Passport, Driving License, Matriculation certificate or Mark sheet of recognized board, Birth certificate issued by the municipal authority or any office authorised.

(* List of documents mentioned above is only illustrative, not complete).

How to get a duplicate or a new PAN card?

If you already have a PAN allotted and need a new PAN card (may be due to loss of the card or change in name or date of birth or mobile number or email ID or for any other reason), you may simply apply through NSDL e-Gov or UTIITSL and request for issuance of a new PAN card bearing the same PAN. Procedure and fee for such application is similar except that the application form is different. If your address has changed and you want to update your new address in records of Income Tax Department, same application can be used for this purpose as well.

Fee for Application (New PAN or New PAN Card)

Where communication address for sending physical PAN card is an Indian address – `107 (including taxes as applicable currently). Detailed guidelines and instructions for filling up the application form and also for tracking the status of application submitted at any centre are available on the website of the two agencies (<https://www.tin-nsdl.com> and https://www.utiitsl.com/UTIITSL_SITE).

Aadhaar or Unique Identification (UID) Number

Aadhaar or Unique Identification Number is a 12-digit number allotted to eligible residents by Unique Identification Authority of India (UIDAI). Any Indian citizen (including minors) may apply for Aadhaar by submitting an application at any enrolment centre authorised by UIDAI. List of the Aadhaar centres is available on <https://appointments.uidai.gov.in/centersearch.aspx>. Blank application form can be obtained from any centre without any charge.

Following documents are required to be submitted along with Aadhaar application * –

1. Proof of Identity (POI): Copy of any of the following documents :

PAN card, Voter identity card, Driving License, Ration / PDS photo card, Passport, etc.

2. Proof of Address (POA): Copy of any of the following documents :

Voter identity card, Passport, Driving License, Bank statement or passbook, Post office passbook, utilities bills (not more than three months old) such as - Electricity Bill, Water Bill, Landline telephone bill; etc.

In case you do not have above common proofs, Certificate of Identity having photo issued by Gazetted Officer/Tehsildar on letterhead is also accepted as proof of identity. Certificate of Address having photo issued by MP or MLA /Gazetted Officer/Tehsildar on letterhead or by Village Panchayat head or its equivalent authority (for rural areas) is accepted as valid proof of address.

Even if someone in a family does not have individual valid documents, the resident can still enrol if his/her name exists in family entitlement document. In this case the Head of Family in entitlement document needs to be enrolled first with valid identity and address proof. The head of the Family can then introduce other members in the family while they are enrolling.

Where there are no documents available, resident may also take the help of Introducers available at the enrolment centre.

(* List of documents mentioned above is only illustrative, not complete. Details available at <https://uidai.gov.in/enrolment-update/aadhaar-enrolment.html>).

Once application for Aadhaar is processed, UIDAI communicates the Aadhaar number by sending a letter to the applicant.

How to update information in Aadhaar?

If you already have Aadhaar allotted and need to update records due to change in name or address or mobile number or email ID or for any other reason, you may simply submit an application at any authorised enrolment centre. Procedure for such application is similar except that the application form is different. For update in the information, one can also log on to Aadhaar Self Service Update Portal (SSUP) - <https://ssup.uidai.gov.in/web/guest/update>. This online mode offers facility to update address. Aadhaar number and registered mobile number of the resident are required to login to the portal. To complete the update process, applicant needs to upload the supporting documents. Update may be done for biometric information also (Iris, Finger Prints and Facial Photograph) using the same form.

Fee for Application:

There is no fee payable for Aadhaar generation. It is completely free for all Residents. However, for any kind of update in information (demographic and / or biometric), a fee of ` 25 is payable.

Aadhaar for Children

Aadhaar can be applied for children also. Their Aadhaar is linked to that of their parents or guardian. Once the child becomes 5 years of age, biometrics (finger prints and iris scan) are added to his / her Aadhaar. At the age of 15 years, final biometric data should be given for linking with the Aadhaar. Mandatory document for child is proof of **Date of Birth**. The child can be introduced by either of the parent who has an Aadhaar or has applied for Aadhaar.

Aadhaar Virtual ID (VID)

VID is a temporary, revocable 16-digit random number mapped with the Aadhaar number which can be used in place of Aadhaar number wherever authentication of Aadhaar is required. VID once generated remains valid till the time a new VID is generated by the Aadhaar holder.

For more information on Aadhaar, you may visit <https://uidai.gov.in> or call on 1947 (toll free) or write at help@uidai.gov.in

Know Your Customer (KYC) requirements

KYC is an important aspect in the finance world today. Being KYC compliant has become mandatory for availing most of the financial services like opening a savings account in a bank, opening a demat account, opening a trading or broking account with a stock broker, investing money in mutual funds units or equity etc. KYC is a requirement which needs to be fulfilled by providers of above mentioned services. This is achieved by them by obtaining some documents from the applicants for services which establishes their identity and certifies the address. The generally accepted documents for KYC (identity and / or address) are mentioned below –

1. PAN card
2. Aadhaar card
3. Voter identity card
4. NREGA card
5. Passport

Most service providers do ask for self-attested photocopies of above documents and original for verification (original are returned after verification immediately). In order to avoid repetition of KYC process by different service providers / market intermediaries, government has introduced centralised database of KYC records in form of CKYC registry. All the banks, mutual funds, stock brokers, depository participants etc. are now required to obtain KYC documents from their client and upload the information to CKYC registry. If a client is already registered with the CKYC, he / she may inform the same to the service provider / market intermediary. The market intermediary in such a case, may search of the KYC information in the CKYC database and if record is successfully found, it can avoid asking for the KYC documents again from the client.

e-Insurance Account (eIA)

e-Insurance Account or Electronic Insurance Account is an account similar to a demat account. The difference is that while demat account is used for keeping various types of securities issued by different companies (like shares, mutual fund units, bonds etc.), e-Insurance account is used to keep various types of life and non-life insurance policies issued by different insurance companies. eIA gives policyholders access to their insurance portfolio at a click. Policyholder can view and manage all their insurance policies in a single account.

IRDAI, which regulates insurance companies in India, has authorised some entities including NSDL Database Management Limited (NDML), which is a 100% subsidiary company of NSDL, to act as 'Insurance Repository' and facilitate opening of e-Insurance Account. One can submit an application form to open e-IA in paper form at office of any 'Approved Person' (list available at <https://nir.ndml.in/ap-details.htm>).

Alternatively, you may do so online at <https://nironline.ndml.in/NIR/onlineEiaApplicationHome.html>. Once filled, you can submit the e-Insurance account opening form along with the KYC documents to the nearest approved outlet. Alternatively, you can also submit the form along with supporting documents to the branch of Insurance Company of which you hold the insurance policy.

Documents required for opening eIA

1. Proof of Identity
2. Proof of Address
3. Proof of Date of Birth

Fees

There is no fee / charge payable for opening and operating eIA, means it is completely free for policy holders.

Update details recorded in demat account

A demat account is opened by any Depository Participant based on the information provided at the time of opening of the account. Over the period, many of these may undergo change and therefore, account holder needs to inform his / her DP about the changes to be incorporated. For example, change in mobile number, email ID, address or nominee, etc. If any of these are not undertaken in time by the account holder, it may result into some inconveniences, like non receipt of SMS sent by depository (due to change in mobile number), non-receipt of account statement (due to change in the residential address / email address), etc.

For any of the abovementioned changes, account holder is required to submit an application to his / her DP along with required supporting document (for example, a document containing your new address is required to have your address updated in the demat account). Your DP may provide a standard format for any of these changes. After necessary verification, your DP will update the details in your demat account and also update KYC information with the CKYC agency, so that you do not need to provide supporting documents to each market intermediary.

National Pension System (NPS) account

National Pension System (NPS) is a voluntary, defined contribution retirement savings scheme designed to enable the subscribers to make optimum decisions regarding their future through systematic savings during their working life. This scheme is regulated by Pension Fund Regulatory and Development Authority (PFRDA). Now, NRIs are also allowed to participate in the scheme. Under the NPS, individual savings are pooled in and are invested by PFRDA regulated professional fund managers as per the approved investment guidelines. These contributions would grow and accumulate over the years, depending on the returns earned on the investment made. The returns of the scheme are not guaranteed, but totally market-related and differ from fund manager to fund manager.

At the time of normal exit from NPS, the subscribers may use the accumulated pension wealth under the scheme to purchase a life annuity from a PFRDA empanelled life insurance company apart from withdrawing a part of the accumulated pension wealth as lump-sum, if they choose so. NPS offers a range of investment options and choice of Pension Fund Manager (PFMs) and flexibility to change them as well, periodically.

Infact, participation in this scheme is mandatory for new Govt. employees – in centre as well as states / UTs. Persons who are not government employees, having age between 18 – 65 years may join NPS voluntarily.

To open a NPS account, one needs to submit an application to any Point of Presence, appointed by PFRDA (list available at <https://www.npscra.nsdl.co.in/pop-sp.php>). One may open a NPS account online also at <https://enps.nsdl.com/eNPS/NationalPensionSystem.html>. Opening an account with NPS provides a Permanent Retirement Account Number (PRAN), which is a unique number and it remains with the subscriber throughout his lifetime. PRAN is communicated to applicant (called Subscriber) in form of a card also. The scheme is structured into two tiers:

- **Tier-I account:** This is the non-withdrawable permanent retirement account into which the accumulations are deposited and invested as per the option of the subscriber.
- **Tier-II account:** This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber.

NPS offers exclusive tax benefits up to ` 50,000 under section 80 CCD (1B) in addition to ` 1,50,000 under section 80 C of Income Tax Act, 1961.

NSDL e-Governance Infrastructure Limited, which is a group company of NSDL, is one of the Central Recordkeeping Agency (CRA) appointed by PFRDA. Apart from maintaining NPS accounts of the subscribers, it also facilitates accounting of contributions made and provides periodical account statements to subscribers.

For more information on NPS, please visit www.pfrda.org.in or <https://www.npscra.nsdl.co.in>

National Academic Depository (NAD) account for students

Indian education system is growing by leaps and bounds; so are the numbers of academic awards issued. The whole cycle of issuing these academic awards, be it SSC / HSC or degree or diploma or marksheet in paper form, holding them as a personal record and verification or authentication has numerous challenges for all concerned stakeholders, namely, students and employers. It takes plenty of time to obtain duplicate certificates or marksheets whenever they are lost or destroyed. The Ministry of Human Resources Development (MHRD) has come up with a unique, innovative and progressive concept of National Academic Depository (NAD) to effectively address these issues. It has mandated NSDL Database Management Limited (NDML) to implement this concept towards digital enablement of education records. NDML, as a depository connects all the participants in the system. The Universities / Boards uploads the information (i.e. marksheet or degree information, etc.) to NDML system directly, thus ensuring the authenticity of the data. The student concerned is enabled to access his / her records online after successful identification based on Aadhaar. Other users such as banks (for granting educational loan) or potential employers / background checkers or other academic institutions (for admission to higher course), etc. can also access the student's information based upon the consent given by the student concerned. Maintaining academic awards in a digital depository eliminates unnecessary paper trails, reduces storage concerns and puts an end to fraudulent practices such as forging of certificates and marksheets. Also, there is no need to carry originals and submit attested photocopies or wait for verification of documents. The process for registration as a student is quite simple and is completely free.

One simply needs to visit <https://nad.ndml.in/NAD/newStudentRegistrationScreen.html> to open his / her account.

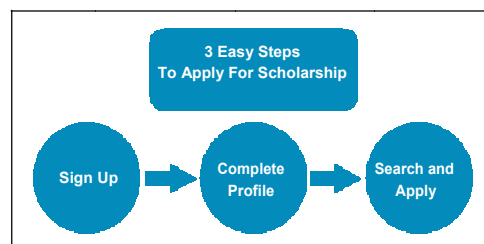
For more information, please visit <https://www.nad.ndml.in>

Applying for Scholarships online - Vidya Saarathi Portal

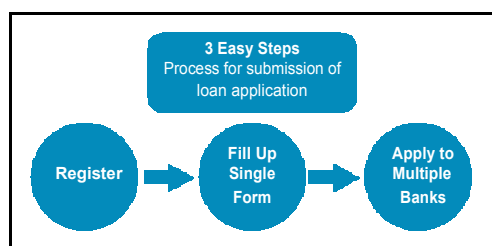
Vidya Saarathi, an initiative by NSDL e-Governance Infrastructure Limited

(NSDL e-Gov), is an online platform that effectively brings together various stakeholders in the education ecosystem. It is an online portal to enable various corporates and other entities to make available information about the various scholarships schemes offered by them on one side; and on the other side, it enables the interested students

to view all such schemes at one place and apply for. For more information, please visit www.vidyasaarathi.co.in



Online Application to banks for Education Loans - Vidya Lakshmi Portal



The Indian scenario paints a vivid picture in terms of education and accessibility to affordable education. Many students forego their pursuit of education for lack of funds. With a view to enable all students to pursue higher education of their choice without any constraint of funds, Pradhan Mantri Vidya Lakshmi Karyakram has been conceptualised. NSDL e-Gov has been authorised to develop and maintain Vidya Lakshmi portal. It provides a single window for students to access information about various loan schemes offered by banks and submit applications for educational loan. The Department of Financial Services has made it mandatory for all banks to accept education loan

applications only through Vidya Lakshmi portal. These loans are provided to pursue various types of academic courses, in India and abroad. Loan amounts can vary from bank to bank, upto ` 15 Lakh. For education abroad, banks may provide loans up to ` 20 Lakh.

Anyone who wants to apply for education loan, needs to register on <https://www.vidyalakshmi.co.in/Students/signup>

Claiming refund from IEPF for dividend /shares not received by shareholder

All dividends and shares which remain unpaid or unclaimed for seven consecutive years due to any reason, are transferred by respective companies to Investor Education and Protection Fund (IEPF) Authority. IEPF Authority is a statutory body, constituted under the provisions of Companies Act, 2013. Investor or his / her authorized representative need to submit claim to IEPF Authority to receive unpaid dividend and/or unclaimed shares. Claimant needs to download IEPF - 5 form, fill it and upload it to IEPF Authority online. Also claim form and acknowledgment generated online should be printed and submitted to the nodal officer appointed by the respective company in physical form, alongwith required supporting documents. After verification of the claim, company confirms the claim to IEPF authority which then initiates refund to claimant in his / her linked bank account through electronic transfer. In

case the claim is for shares, they are credited to demat account of the investor, specified in the claim form.

One applicant can file one claim form for each company in one financial year. Multiple claims can be entered in a single form. The total number of claims should be specified, without which the form is liable to rejection.

For more information, you may visit www.iepf.gov.in

It is important to know that all companies are required to publish details of unclaimed shares and dividend on their website.

Obtaining duplicate share certificate

Loss of share certificates, their misplacement, their wear and tear due to passage of time etc. are some of common problems faced with holdings kept in paper form. If you find yourself in such unfortunate event, you need to inform the issuer company and request it's issuance of duplicate share certificate. Companies generally have a standard format and procedure for making application for issuance of duplicate share certificate. Details of which needs to be obtained from the company itself or its registrar and share transfer agent (RTA). In general, shareholder is required to provide details of his / her holdings e.g. folio number, certificate number, distinctive number range, names of the holder(s) etc., provide an affidavit and / or indemnity in favour of the company on stamp paper of prescribed value. After due verification of the application and supporting documents submitted, company/RTA issue duplicate share certificate to the shareholder.

Online Registration of Rent / Leave & Licence agreement

In some states like Maharashtra and Karnataka, it is possible to register a rental agreement / leave and Licence agreement online, without any need to visit the office of registrar or sub registrar. This can be done with following requirements at present - Aadhaar and PAN of landlord, tenant and two witnesses and a biometric thumb scanner. In Maharashtra, government has authorised some service providers who do help in this process, including home visit service. Details are available on

<https://efiling.maharashtra.gov.in/ereg/> for Maharashtra

<http://www.karnataka.gov.in/karigr/Pages/-At-a-Glance--Stamp-Duty-and-Registration-Fee.aspx#potopfor> Karnataka.

News Articles

Demat Mandatory for Transfer of Securities w.e.f. December 5, 2018

SEBI has mandated that w.e.f. December 5, 2018, any transfer of securities of listed companies will only be in demat form. In other words, if you are holding shares of a listed company in physical form and want to transfer it someone else, you will be able to do so only after converting them into demat form, from December 5, 2018 and onwards. From December 5, 2018, only transmission (that is transfer of shares in case of death of the shareholder) and transposition (that is change in order of the names of the shareholders) will be permitted for shares etc. held in the physical form. It is therefore beneficial to open a demat account and have your shares converted into demat, as early as possible.

Demat a must for Unlisted public companies

Ministry of Corporate Affairs (MCA) have issued a notification

http://www.mca.gov.in/Ministry/pdf/CompaniesProspectus3amdRule_10092018.pdf on September 10, 2018 according to which unlisted public limited companies are required to join depository system and make their shares available for demat. Further issuance of shares by these companies will be possible only in demat form. Both these requirements are effective from October 2, 2018. From investors point of view, it would now be possible to convert their holdings in such unlisted companies in demat form and avail the associated benefits. It may be noted that if you already have a demat account, you need not to open another demat account for holding these shares. Your investments held in paper form can be converted into demat form in the same demat account, provided the pattern of holdings is same.

Training Programmes for Participants

NISM / NSDL-DO training / certification programme for Participants

To facilitate officials of Participants to prepare and appear for NISM - Series VI Depository Operations Certification Examination (DOCE), NSDL conducted two training programmes at Mumbai and Pune in August 2018.

CPE Training Programme for Participants

NSDL, a NISM Accredited Continuing Professional Education (CPE) Provider offers CPE training programmes in different modules like Depository Operations, Mutual Fund, Currency Derivatives, Equity Derivatives, Securities Operations and Risk Management, Registrars to an Issue and Share Transfer Agents - Corporate, Merchant Banking, Investment Advisor Level etc.