

# PROCESS NOTE & OPERATIONAL FRAMEWORK

Standardised Framework for Transmission of Securities (SEBI Circular 2026)

|                                                                  |                                                         |
|------------------------------------------------------------------|---------------------------------------------------------|
| Target Audience: Listed Companies, RTAs, DPs, AMCs, Depositories | Circular Ref: HO/38/13/11(14)2026-MIRSD-POD//17111/2026 |
| Effective Date: August 22, 2026 (30 Days from Issuance)          | Statutory Ref: SEBI LODR Reg 40(7) & Reg 101            |

## 1. EXECUTIVE SUMMARY & CONTEXT

The Securities and Exchange Board of India (SEBI) has revised and standardized the legal and operational framework for the transmission of securities (physical shares, dematerialized holdings, and mutual fund units) in the event of the demise of a sole holder or all joint holders. The objective is to enhance ease of doing business/ investing by reducing documentation bottlenecks, eliminating mandatory probate requirements, and establishing a fast-track processing route for low-value claims.

### Key Regulatory Reforms Introduced

- **Introduction of QTP:** Quick Transmission Processing category created for small investors with low-value claims.
- **Monetary Threshold Revisions:** Enhanced threshold limits for simplified documentation processing.
- **Probate Elimination:** Mandatory Probate of Will requirement abolished across all claims in alignment with succession laws.
- **Verifiable Death Certificates:** Acceptance of QR-code-enabled digital death certificates alongside originals/ attested copies.
- **Combined Formats:** Replacement of separate Affidavits and No Objection Certificates (NOCs) with a single combined *Affidavit-cum-NOC*.
- **Strict Turnaround Time (TAT):** Mandated processing timeline of **21 calendar days** from the receipt of complete documentation.

## 2. KEY DEFINITIONS & OPERATIONAL THRESHOLDS

### 2.1 Core Definitions

- **Processing Entities:** Listed Companies, Registrars and Share Transfer Agents (RTAs), Depositories, Depository Participants (DPs), and Asset Management Companies (AMCs).
- **Verifiable Death Certificate:** (i) Original death certificate, (ii) Nominee/Claimant copy verified against original, (iii) Copy attested by Notary Public/Gazetted Officer/JMFC, or (iv) Death certificate embedded with a QR Code.
- **Relevant Authority (Legal Heirship):** Revenue authority not below the rank of a Tehsildar or equivalent authority.
- **Foreign Death Proof:** Death certificates issued outside India certified via Court Magistrate/Notary Public, Consularization by Indian Embassy, Apostille, or certification by authorized officials of Indian bank branches/ correspondent banks abroad. (Requires self-certified English translation if in a foreign language).

## 2.2 Threshold Limits Framework

| Holding Mode                                                 | Quick Transmission Processing (QTP) Threshold | Simplified Documentation Threshold                                       | Above Threshold Category |
|--------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------|--------------------------|
| <b>Physical Mode</b><br>(Per Listed Entity/MF/SIF)           | Up to ₹ 10,000                                | Up to ₹ 10,000,000 (₹ 10 Lakhs)<br>(Extendable at discretion of company) | Exceeding ₹ 10 Lakhs     |
| <b>Dematerialised Mode</b><br>(Per Beneficial Owner Account) | Up to ₹ 30,000                                | Up to ₹ 3,000,000 (₹ 30 Lakhs)                                           | Exceeding ₹ 30 Lakhs     |

\* *Valuation Rule: Quantified by the claimant based on the previous closing price of the securities on any recognized stock exchange prior to claim submission.*

## 3. OPERATIONAL RULES BY TRANSMISSION SCENARIO

### 3.1 Scenario A: Cases with Valid Nomination

Where nomination is registered, the nominee acts as a trustee on behalf of legal heirs. Upon receipt of demise intimation, the entity guides the nominee to submit the required forms.

- **Pre-demise Nominee Death:** If one joint nominee dies prior to the investor without updating nomination, assets transfer to surviving nominees on a *pro-rata* basis.
- **Discharge of Liability:** Processing entity is fully discharged from liability upon transmission to registered nominee(s).

### 3.2 Scenario B: Survivorship Rule (Joint Holdings)

In joint accounts where one holder dies, securities transmit directly to surviving joint holder(s)

#### Simplified Survivorship Compliance

Entities **SHALL NOT** demand KYC, indemnities, or undertakings from surviving joint holders. Only a verifiable copy of the Death Certificate of the deceased holder is required.

### 3.3 Scenario C: No Nomination Cases

- **Quick Transmission Processing (QTP):** Applicable for small value claims submitted Annexure 2, to be submitted plain paper by *immediate relatives only* (Parents, Spouse, Children, Parents-in-law). Requires relationship proof or notarized affidavit.
- **Simplified Category:** For claims up to ₹10 Lakhs (Physical) / ₹30 Lakhs (Demat). Requires Notarized Indemnity Bond + Notarized Affidavit-cum-NOC (or Family Settlement Deed).
- **Above Threshold Category:** Requires Notarized Affidavit-cum-NOC + Legal Heirship Certificate (Tehsildar level) with Indemnity Bond
- **Note:** The processing entities may, for cases above threshold for simplified documentation, seek additional documents over and above those prescribed by SEBI, if so required Succession Certificate / Letter of Administration / Court Decree.

#### 4. STANDARDISED TRANSMISSION DOCUMENT CHECKLIST

##### Documents checklist to be annexed along with the transmission request form.

| S. No. | Document                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Submitted                | Remarks |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------|
| 1      | Original Transmission Request Form (duly filled and signed)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> |         |
| 2      | Self-attested copy of Latest Client Master List (CML) of claimants' demat account                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <input type="checkbox"/> |         |
| 3      | Self-attested copy of Verifiable Death Certificate of the deceased holder                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <input type="checkbox"/> |         |
| 4      | Original Security Certificate / Copy of Statement of Account (if applicable)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> |         |
| 5      | If claimant is a minor - Birth Certificate or School Leaving Certificate / Passport or last four digits of Aadhaar ( Where the date of birth is available – Attested by the Guardian ( Natural or Legal )                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <input type="checkbox"/> |         |
| 6      | KYC of Guardian (if claimant is a minor or of unsound mind)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> |         |
| 7      | Nomination Form or Nomination Opt-Out Form                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> |         |
| 8      | FATCA-CRS Declaration in a prescribed format                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> |         |
| 9      | Signature of Nominee / Claimant attested by Notary Public / JMFC in lieu of bankers' attestation ( applicable only for transmission of units held in SOA )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> |         |
| 10     | Notarised indemnity bond indemnifying the RTA / listed entity / AMC as may be applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> |         |
| 11     | Notarised affidavit cum NOC from all legal heirs, confirming identification and claim of legal ownership to the securities and no objection<br><br>OR<br><br>Copy of family settlement deed executed by all legal heirs, duly attested by a notary public, gazetted officer, or accepted and approved by a magistrate, judge or civil court.                                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> |         |
| 12     | Notarised affidavit cum NOC from all legal heirs, confirming identification and claim of legal ownership to the securities and no objection                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> |         |
| 13     | Any ONE of the following succession documents:<br><br>Copy of Will as may be applicable in terms of Indian Succession Act, 1925, along with a notarized indemnity bond from the legal heir(s)/claimant(s) to whom the securities have to be transmitted.<br><br>OR<br><br>Legal Heirship Certificate or its equivalent issued by relevant authority which will mean a revenue authority not below the rank of a Tehsildar or equivalent authority, along with a notarized indemnity bond from the legal heir(s)/claimant(s) to whom the securities have to be transmitted;<br><br>OR<br><br>Copy of Succession Certificate or Letter of Administration or Court Decree. | <input type="checkbox"/> |         |

## 5. OPERATIONAL WORKFLOW & PROCESSING STEPS

### STEP 1: Intimation & Immediate Guidance (Day 1)

Upon receiving death intimation, the processing entity provides standardized claim forms (Annexures 2 to 5) and document checklists physical/online. Forms must be hosted on website.

### STEP 2: Receipt & Instant Deficiencies Check (Days 2 - 4)

Entity issues formal acknowledgement immediately upon receiving documents. If any document is missing, incomplete, or incorrect, the claimant is informed **at the time of receipt itself**.

### STEP 3: Verification & Valuation Assessment (Days 5 - 12)

Entity verifies death certificate (QR validation or notary check), CML, and evaluates claim threshold based on previous exchange closing prices. Confirms complete document receipt to claimant.

### STEP 4: Demat Conversion & Credit Action (Days 13 - 18)

**For Physical Shares:** Entity processes demat conversion in depository system for direct electronic credit to claimant's demat account. Physical certificates are retained, defaced with "*Securities issued in dematerialised form*" stamp.  
**For Lock-in Securities:** Lock-in details and terms are transmitted to Depository.

### STEP 5: Final Confirmation & Compliance Reporting (Max Day 21)

Settlement completed within **21 calendar days**. Intimation sent to claimant. Entities must maintain monthly reporting to SEBI (rta@sebi.gov.in) for 6 months.

## 1. INSTITUTIONAL GOVERNANCE & MONTHLY SEBI REPORTING

Processing entities must submit monthly reports to SEBI at [rta@sebi.gov.in](mailto:rta@sebi.gov.in) for a period of 6 months following implementation:

| Category        | Pending at Start | Received | Approved | Rejected | Info/Docs Sought |
|-----------------|------------------|----------|----------|----------|------------------|
| QTP             | —                | —        | —        | —        | —                |
| Simplified      | —                | —        | —        | —        | —                |
| Above Threshold | —                | —        | —        | —        | —                |

