

PAN / PEKRN related intimation

As per SEBI circular MRD/DoP/Cir- 05/2007 dated April 27, 2007 SEBI had mandated PAN as the sole identification for all the transactions in the securities market irrespective of the amount of transaction with effect from July 02, 2007.

Further, SEBI has provided an exemption from requirement of PAN for micro financial products (i.e., investments up to ₹50,000 per MF per year) and for investors residing in the state of Sikkim. Such investors are required to provide alternate proof of identity in lieu of PAN for KYC purposes and are allotted PAN-exempt KYC Reference Number (PEKRN).

In this regard, it has been decided by SEBI as follows:

- a) No investments (Systematic transaction, lumpsum, redemption) shall be permitted in such folios wherein PAN/ PEKRN details are not available.
- b) All necessary steps shall be taken to populate such folios with PAN or PEKRN (as may be applicable) before March 31, 2023 by obtaining PAN / PEKRN from the concerned unitholders.
- c) Thereafter, such non-compliant Non-PAN and Non-PEKRN folios will be liable to be frozen from April 01, 2023.
- d) Further, non-investor-initiated transactions such as dividend pay-out, if any, declared by the Mutual Fund schemes shall also be disallowed.
- e) Unitholders whose folio(s) has/have been frozen due to the above requirement shall be able to (permitted to) lodge grievance or avail service request only after furnishing the above details.

Please note that the PAN / PEKRN (as may be applicable) needs to be provided in respect of all joint holders.