



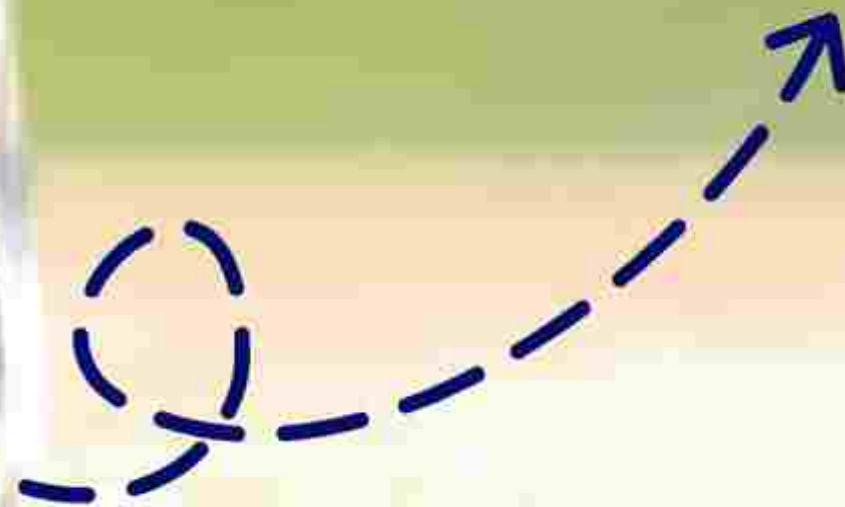
THE WEALTH FINDER

LOST WEALTH RECOVERY

CONSULTANTS



**THE
WEALTH
FINDER**



THE END OF PHYSICAL SHARES??

**Understanding the future of Physical
Shares**

1. Why This is a Concern?

- Legal Framework of Share Transfers
- The “Loud” Numbers – Value Locked in Paper
- Common Investor Negligence & Attitudes
- Types of Shareholding (Company-wise / Ownership-wise)

2. Different Scenarios & Resolution Procedures

- Category 1: Self-Owned Shares (No Dispute)
- Category 2: Deceased Shareholder
 - Ownership Not in Question
 - Ownership in Dispute



- Category 3: Shares Held in Name of Someone Else (Unestablished Ownership)
 - Case A: Share Certificate + Transfer Deed Available
 - Properly Executed
 - Improperly Executed
 - Mutilated
 - Expired
 - Case B: Only Transfer Deed Available
 - Case C: Only Share Certificate Available
 - Case D: Only Payment Proof Available
 - Case E: Only Broker's Slip Available

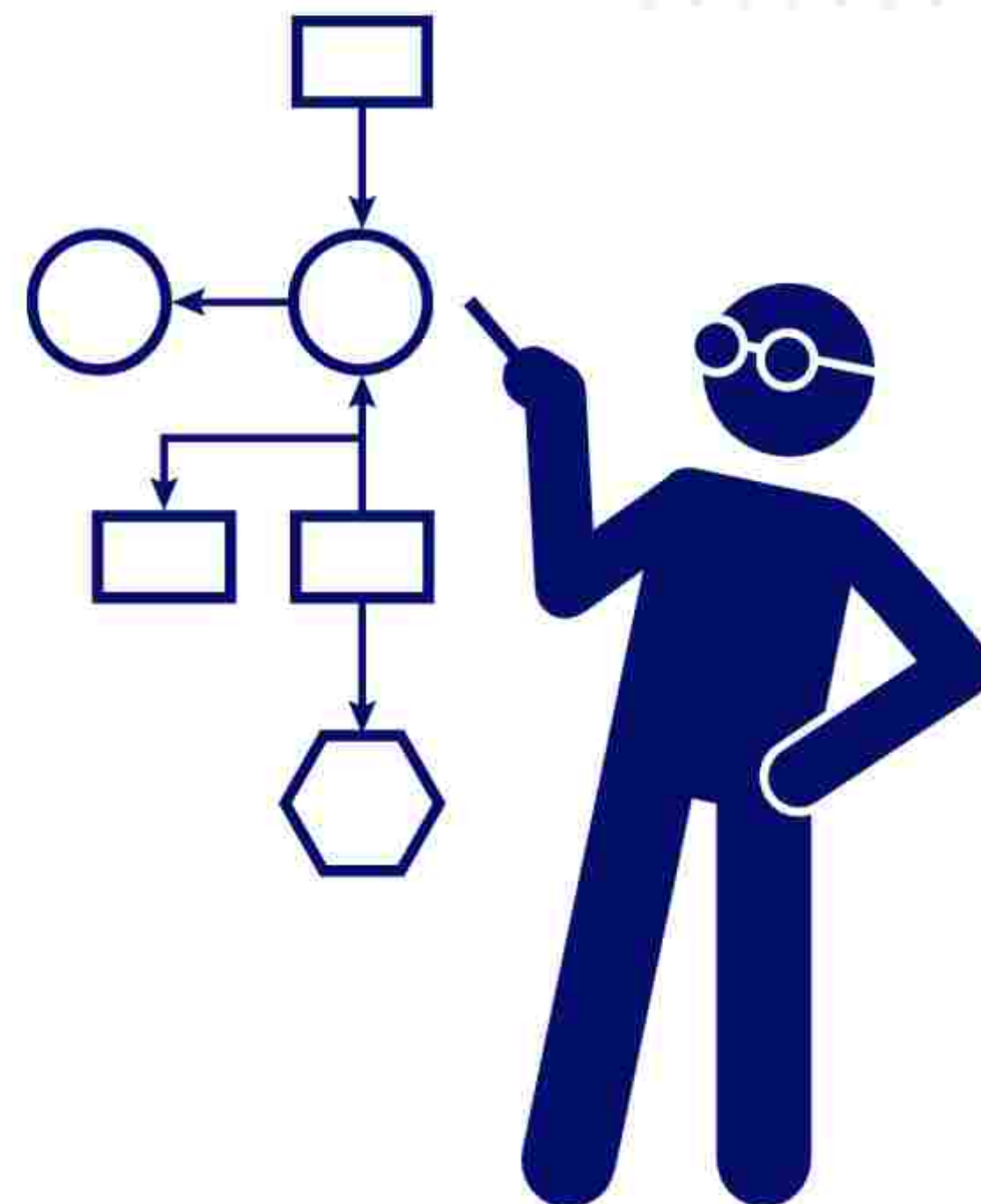


Table of Content



- Category 4: When Ownership in Question
- Category 5: Shares Transferred to IEPF
 - IEPF Claim via Form-5 & Supporting Docs

3. Procedural Challenges

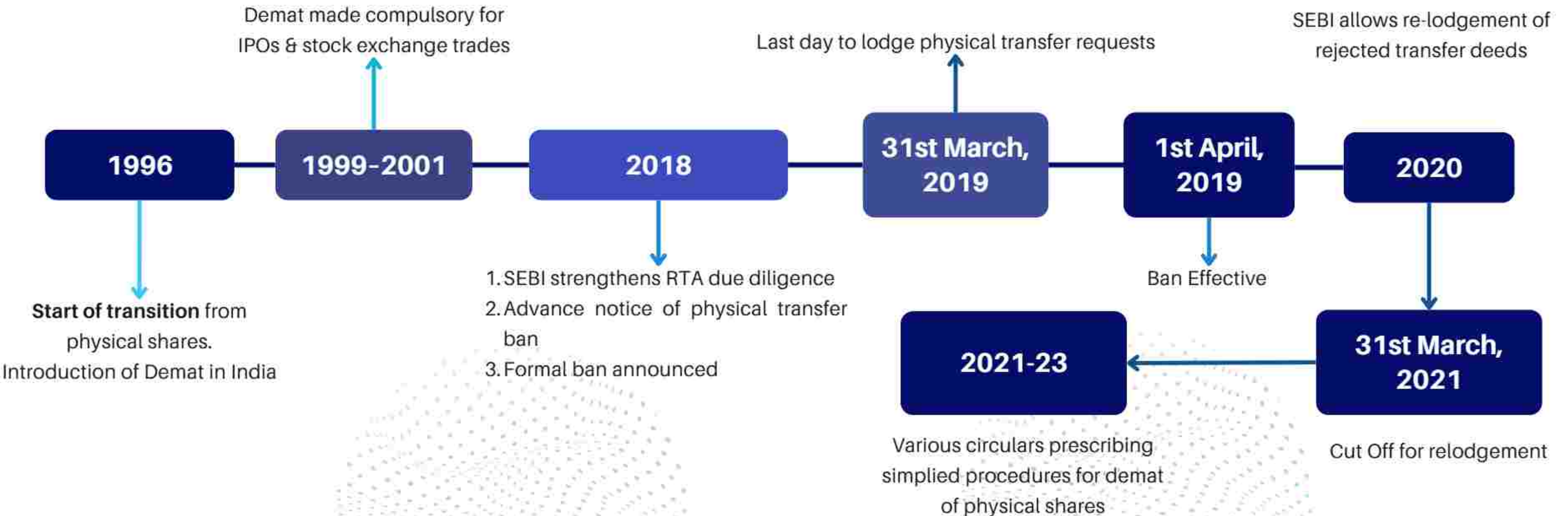
- KYC Verification
- Challenges in dematerialisation
- Challenges in IEPF Claims

4. Common Misconceptions of Investors

5. Advisory Note from The Wealth Finder



Legal History of Physical Shares



QUANTUM

Value in Crores:

MARKET VALUE OF PHYSICAL SHARES

Overall Market Value of Physical Shares of Listed Companies	1.5-2% of shareholding in securities market	approx 4-5 lakhs
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Source:

ARIA Research report
Industry Estimates

Attitude of Investors/negligence

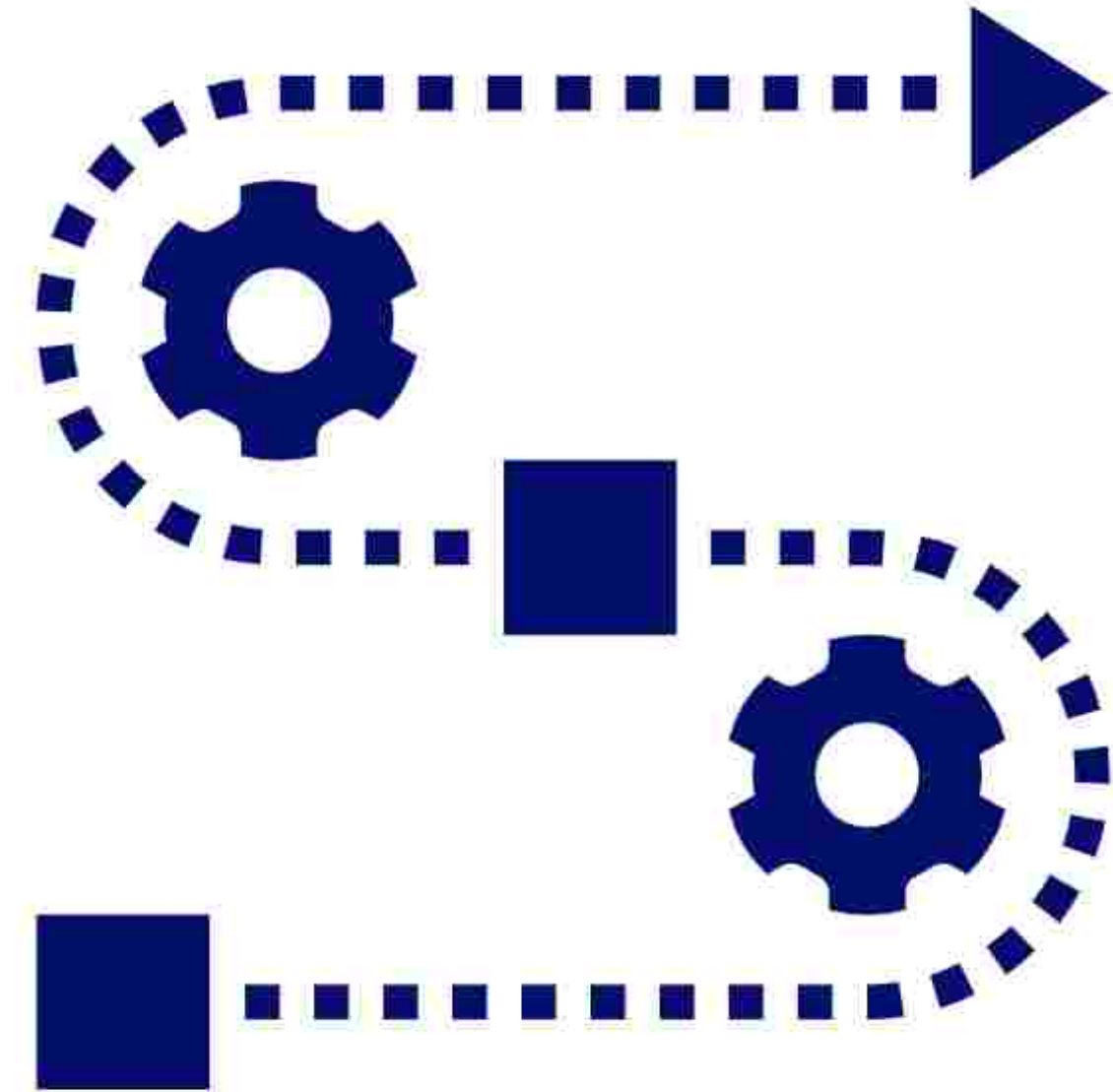
Complete Neglect

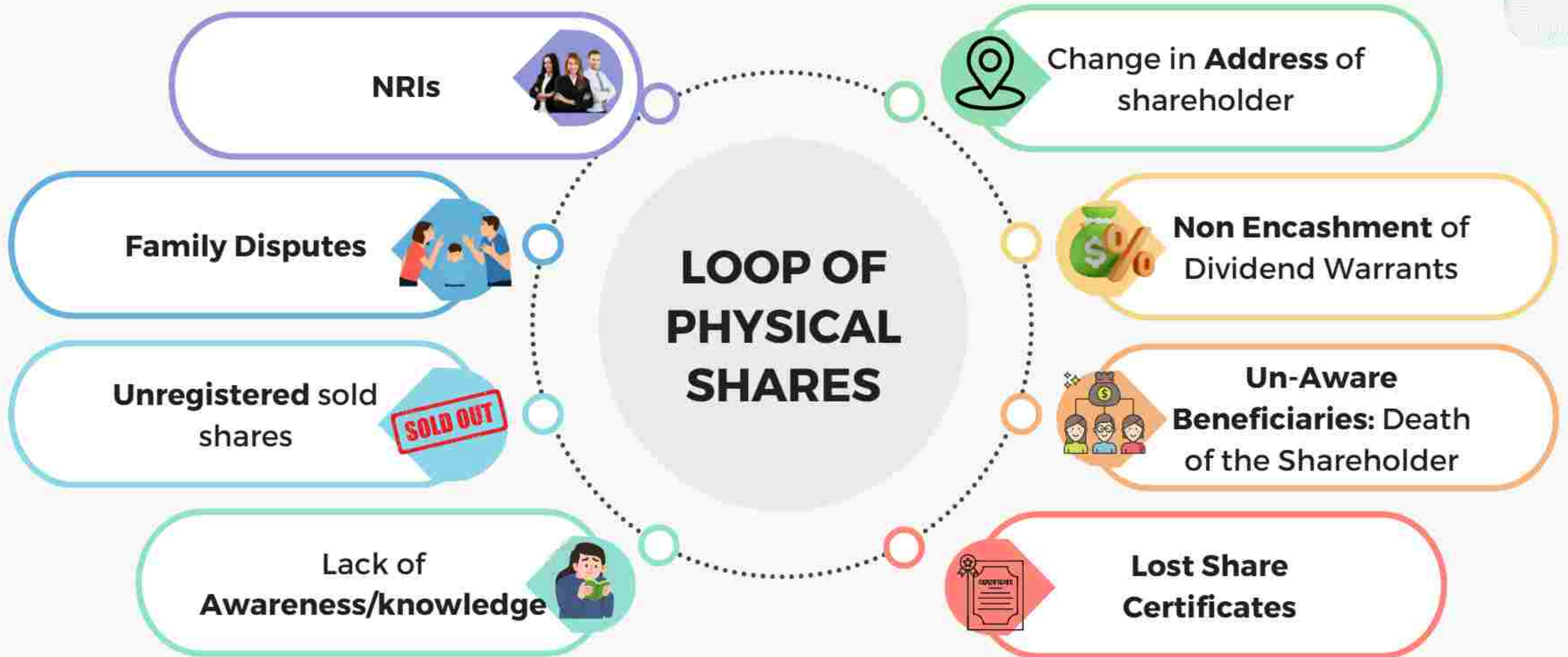
Aware But Disinterested

Willing But Withdrawing

Mistrust of Digital system

Attitude of Litigation Prone families





Type of Shares Held

- Shares Held in Delisted Companies
- Shares in Unlisted or Closely Held Companies
- Shares with Extremely Low Market Value
- Fragmented or Partial Holdings
- No Correspondence / Company Dormant or Wound Up



Different Scenarios and Resolution Process

When Shares Held in Name of the Person Himself (No Ownership Dispute)

WHEN SHAREHOLDER IS ALIVE

STEP NO. 2,3 AND 4 IS APPLICABLE ONLY IN CASE SHARE CERTIFICATES ARE NOT AVAILABLE



Shares Held in Name of Deceased Shareholder

Ownership Not in Question

1

KYC VERIFICATION OF CLAIMANT
WITH COMPANY/RTA

2

OBTAIN **SHARE CERTIFICATE DETAILS**
FROM THE COMPANY, IF SHARE
CERTIFICATES ARE LOST

3

OBTAIN **SUCCESSION DOCUMENT** LIKE
SUCCESSION CERTIFICATE/LEGAL HEIR
CERTIFICATE/WILL PROBATE ETC.

6

DEMAT YOUR SHARES WITH DP

5

OBTAIN **LETTER OF CONFIRMATION**
FROM RTA/COMPANY

4

FURNISH **ALL DOCUMENTS** FOR LOSS
OF SHARES AND TRANSMISSION OF
SHARES

WHEN SHAREHOLDER IS NOT ALIVE

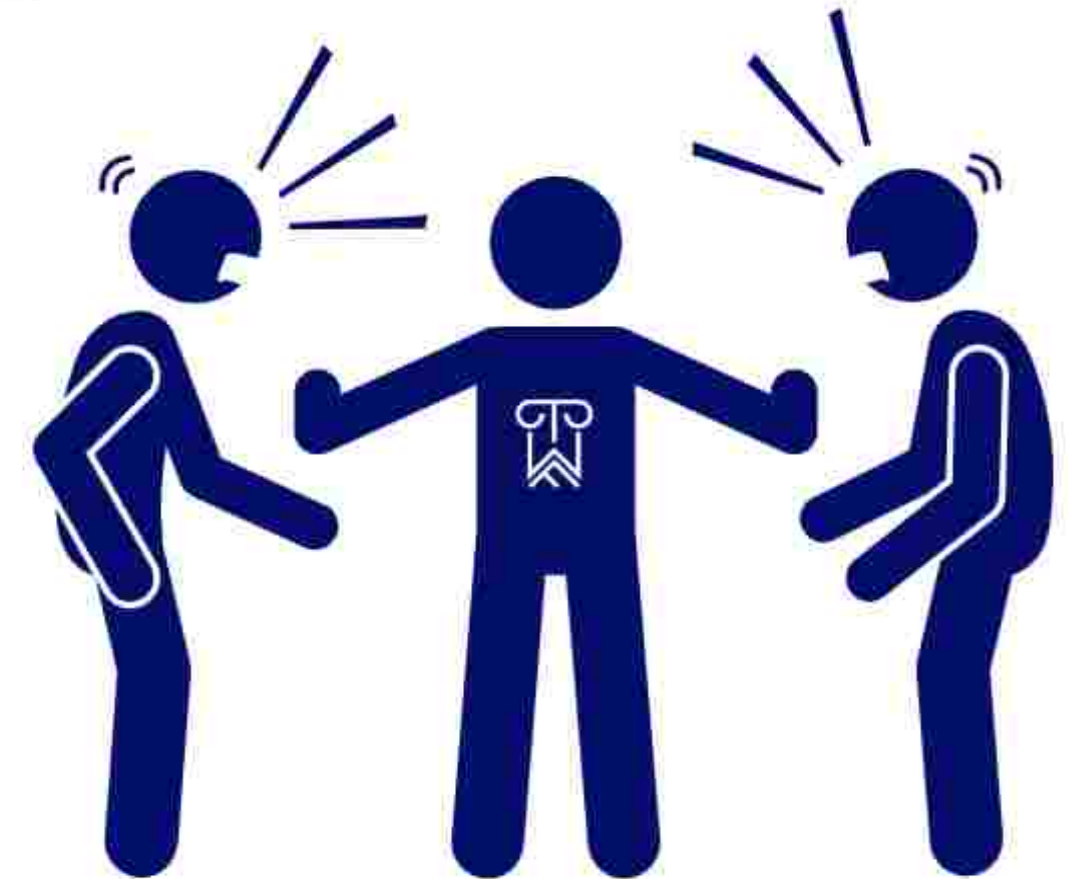
STEP NO. 2,4 AND 5 IS APPLICABLE
ONLY IN CASE SHARE CERTIFICATES
ARE NOT AVAILABLE

Ownership in Dispute

Shares Held in Name of Deceased Shareholder

WHEN SHAREHOLDER IS NOT ALIVE

1. *Nominee Vs Legal Heir*
2. *Defacto Partner Vs Legally Wedded Wife*
3. *Children from First and Second Marriage*
4. *Verbal Wills vs. Written Succession Rights*
5. *Disputes Between Step-Siblings Over Inheritance*
6. *Claims by Adopted Children vs. Biological Heirs*



Ownership in Dispute

Shares Held in Name of Deceased Shareholder

WHEN SHAREHOLDER IS NOT ALIVE



Step no. 2,4 and 5 is applicable only in case share certificates are not available

NOTE TO CLAIMANT/INVESTOR

- *Let wealth not be the Victim;*
- *Litigation means Time, Money and Uncertainty;*
- *Mediation is faster, cheaper and more human;*
- *Think bigger than disputes;*
- *Family dispute will only turn assets into dead capital*

Unestablished Ownership

Shares Held in Name of Someone Else

Scenario	Conditions	Claim Status	Recommended Action
Transfer Deed + Share Certificate	Deed properly executed (even if torn/mutilated), matching share certificate, consideration proven, proper stamping	✅ STRONG Claim	Prima facie evidence but not conclusive proof. Proceed with claim if deed dated before Apr 2019; else legal route (declaratory suit or notice)
Only Transfer Deed	No share certificate available	⚠️ Moderate Claim	Trace certificate via RTA or company; use indemnity; legal route may be required.
Only Share Certificate	No transfer deed	⚠️ Strong evidence but Weak Claim	Claim through transmission (if legal heir) or declaratory title via court
Only Payment Proof	No deed or certificate, but money trail exists	⚠️ Weak but Supportive	Can support a legal claim; not sufficient alone – file declaratory suit
Only Broker Slip	No legal documents	❗ Extremely Weak	Trace broker history/records; issue legal notice; consider court declaration
Transfer Deed Executed But Not Lodged Before Apr 1, 2019, or Revised Before Mar 31, 2021	Law does not permit re-lodgement now	❗ Treated as Invalid	Legal remedy is the only route – declaratory suit or NCLT petition

Unestablished Ownership

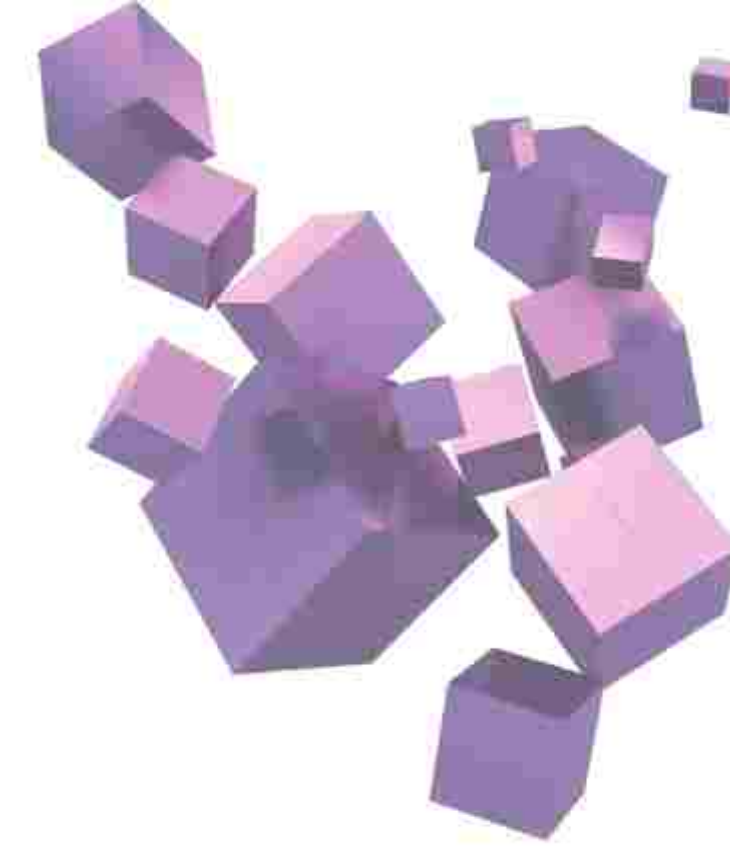
Shares Held in Name of Someone Else

Share Certificate	Transfer Deed	Payment Proof	Strength	Court View
✓	✓	✓	Very Strong	Rectification granted
✓	✗	✓	Moderate	Difficult at NCLT, possible civil suit
✗	✓	✓	Good	Possible rectification with duplicate certificate
✗	✗	✓	Very Weak	May need to file civil suit
✓	✓	✗	Strong	Rectification granted if deed valid
✓	✗	✗	Weak	NCLT will reject without deed

POINTS TO NOTE

Rectification by Tribunal u/s 59 of Companies Act

- *The existence of original share certificates and transfer deeds create a prima facie case but are not conclusive proof.*
- *Possession of documents is important but not automatically decisive — courts look at full facts.*
- *Sufficient proof for genuine ownership is mandatory;*
- *There should be no fraud/forgery*
- *Intension of transfer and consideration is seen for rectification.*



OWNERSHIP IS IN QUESTION

Situations where a person holds shares in his name, but another person claims ownership.

Disputes arising from undocumented or informal gifts of shares.

Where Shares are transferred to IEPF



Step no. 2,4 and 5 is applicable only in case share certificates are not available

PROCEDURE FOR IEPF CLAIM

STEP-1

The image shows the IEPF-5 form, which is a web-based application for claiming shares. It includes fields for the applicant's name, address, and contact details, as well as a section for the company's details. The form is titled "FORM NO. IEPF-5" and has a small logo of the Government of India.

Fill the web based application in e-form – IEPF-5 available on www.iepf.gov.in

STEP-2



Take a print out of the filled form

STEP-3



Submit the copy of e-form along with requisite documents to the Nodal Officer of the concerned company

STEP-4



Nodal officer of the Company shall verify the form and documents and shall furnish the report to IEPF Authority in 15 days.

STEP-5



On basis of verification, IEPF Authority shall either reject the claim or refund the requisite amount/shares in the name of claimant

PROCEDURE TO FOLLOW BEFORE IEPF CLAIM

Shareholder Alive	Shareholder Not Alive
KYC Verification of Shareholder	KYC Verification of Claimant
Furnish all documents for loss of shares, in case there is loss of shares	Furnish all documents for loss of shares, in case there is loss of shares
Obtain Letter of Entitlement from Company	Furnish all documents for transmission of shares
	Obtain Letter of Entitlement from Company

Comprehensive List of Documents



KYC RELATED

PAN and Adhaar.
OCI/Passport in case of NRIs

Bank Details: Original Cancelled
Cheque

Demat Account Details: Client Master
List

Signature Verification from Bank



IN CASE OF LOSS OF SHARES

First Information Report/Lost Report in
case market value of shares exceeds 5
Lakhs

Affidavit and Indemnity

Newspaper Advertisement in case
market value of shares exceeds 5 Lakhs



TRANSMISSION CASES

Death Certificate of the Shareholder

Succession Documents like Will/Probate of
Will/Legal Heir Certificate/ Succession Certificate
depending on market value of shares

Affidavit and Indemnity

NOC from non claimants

These Documents along with ISR Forms are given to the Company/RTAs for request processing

CHALLENGES IN PROCESS OF DEMATERIALISATION

1

KYC Update

- Name related;
- Address related;
- Demat account and bank details;
- Signature related

2

Death of Original Share holder

- Family Disputes;
- Jurisdiction to apply;
- Procedural Delays;
- Requirement Condition;
- Will vs Probate of Will;
- Nominee vs Legal Heir

3

Procedural Related

- Multiple and frequent requests;
- Multiple formats of RTAs and Companies;
- Notarization and Stamping related issues

4

Unjustified and delayed replies of RTAs and Companies

KYC Requirements/Verification

KYC Requirement	Details
Name	Self-attested copy of Permanent Account Number (PAN)/Adhaar Card/Bank Statemnet etc.
Nomination	Submit Form SH-13 for nomination OR Opt-out declaration if not nominating
Contact Details	Mobile number and email ID (self-declared or proof provided)
Bank Account Details	Canceled cheque leaf / copy of bank statement or passbook with account number, IFSC, MICR
Specimen Signature	Recent signature on plain paper, self-attested and attested by a banker/notary
Address Proof	Self-attested copy of valid address proof (Aadhaar, Passport, Voter ID, DL, etc.)

CHALLENGES/ISSUES FACED BY INVESTORS IN IEPF CLAIMS

LETTER OF ENTITLEMENT

- Delay in providing Letter;
- Lack of uniformity in format;
- Multiple requests for dividend details in letter



VERIFICATION REPORT

- Delay in filing report;
- In sufficient documents attached by company along with verification report;
- Non issuance of report to the claimant/shareholder



Non availability of real time information on the claim which leads to **information asymmetry** for the claimant



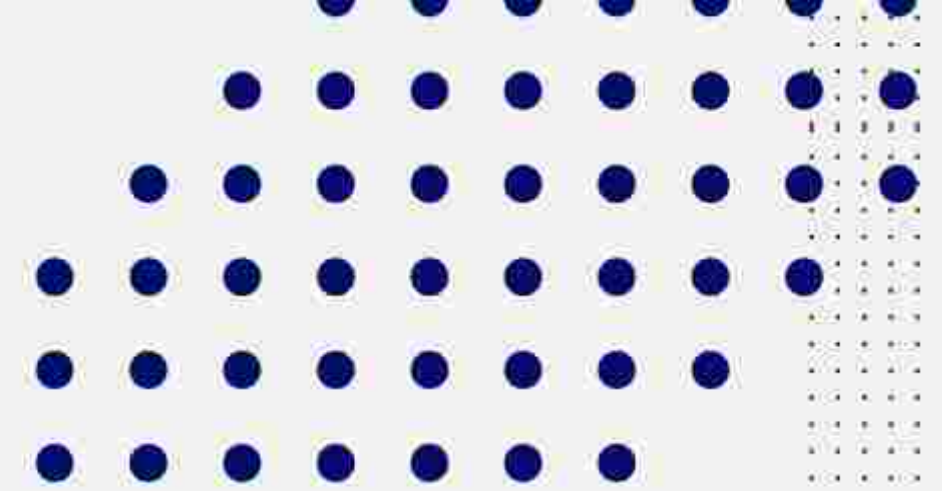
MULTIPLE DOCUMENT SUBMISSION

- Documents are submitted thrice
- To Company for obtaining obtaining LOE;
- To IEPF for IEPF Claim;
- To Company for E-Verification report



Rejecting a claim without giving opportunity to shareholder/claimant to rectify the errors





COMMON MISCONCEPTIONS OF INVESTORS

1. Lost share certificates are lost forever;
2. Shares transferred to IEPF is lost forever;
3. Shares will be transferred to their demat account with just filing a request with the Company
4. Holding a share certificate does not mean you are a shareholder;
5. Shares in IEPF are dead and no dividend is earned on it
6. Nominee is the ultimate owner

ADVISORY NOTE TO INVESTORS

1. Get your shares dematerialized
2. Keep your KYC updated with the Companies/Mutual Funds etc.
3. Claim Dividends promptly
4. Appoint a nominee for your investments
5. Keep organized record of your investments and monitor investments regularly
6. Educate yourself on unclaimed shares, IEPF Claims
7. Preparation of proper Family Succession Plan-Will
8. Seek professional help whenever and wherever needed



**THANK
YOU**