

# **Demat & Share Trading Account - List Of Documents**

## **Proof of Identity (POI)**

1. Unique Identification Number (UID): Aadhaar card/ Passport/ Voter ID card/ driving licence)
2. Identity (with applicant's photo) attesting document issued by any of the following agencies:
  - Central or State Government and its departments
  - Statutory/ Regulatory bodies
  - Public Sector Undertakings (PSU companies)
  - Scheduled commercial banks or public financial companies
  - Universities / Colleges affiliated to universities
  - Member IDs professional bodies like ICAI, ICWAI, ICSI, Bar Council.

## **Proof of Address (POA)**

- Passport (check for date of expiry)
- Voters ID card (with valid photograph)
- Registered sale or lease agreement of the house
- Driving licence with photograph
- Maintenance bill
- Insurance paper
- Utility or telephone bills
- Electricity bills (older than 3 months are not admitted)
- Passbook or bank account statement
- Proof of address attested by bank managers of scheduled banks, scheduled co-operative banks, gazette officer, notary

public, elected representatives of legislative assemblies (MLAs), elected members of parliament (MPs)

- Documents issued by Central or State Government and its departments
- Statutory/ Regulatory bodies
- Public Sector Units (PSU companies)
- Scheduled commercial banks or public financial companies
- Authorised universities (or colleges affiliated to universities)
- Professional bodies like ICAI, ICWAI, Bar Council among others can issue it for their members.

### Proof of Income

- Copy of ITR Acknowledgement etc can be furnished.
- A photocopy of the Income Tax Return (ITR) acknowledgement slip submitted to the Income Tax Department during filing of income tax
- Proof of Salary in the form of a recent Salary Slip or relevant document which proves income or net worth like Form 16
- A Net Worth Certificate certified by a Chartered Accountant; alternatively, a photocopy of the Annual Accounts duly audited by a qualified Chartered Accountant
- Current bank a/c statement reflecting the income history of the client for the past six months
- A statement of Demat account holdings with an eligible Depository Participant
- Other documents that substantiate ownership of assets through self-declaration along with documents supporting the claim
- Cancelled personalized cheque
- Documents to substantiate ownership of assets.
- Bank account statements for last six months

### Proof of Bank Account

Cancelled cheque leaf can be provided for this purpose

### Photographs

Keep in handy three copies of passport size photographs while visiting your broker /bank for opening a Demat account.

### Power of Attorney or POA

Along with the other documents you will also need to sign agreement papers like the Power of Attorney given to the broker for transfer of securities to settle margins, for settlement of trades and transfer of funds from your account. The POA document has your Demat and bank account details. It is important to note that it must be given out in the name of the brokerage and not in the name of the employee concerned.

### Other / Miscellaneous

Any Other Docs

## **\*\* Important Points For All Traders \*\***

- ▶ Beware of fixed/guaranteed/regular returns/ capital protection schemes. Brokers or their authorized persons or their associates are not authorized to offer fixed/guaranteed/regular returns/capital protection on your investment or authorized to enter into any loan agreement with you to pay interest on the funds offered by you. In case of default of a member claim for funds or securities given to the broker under any arrangement/agreement of indicative return will not be accepted by the relevant Committee of the Exchange as per the approved norms.
- ▶ Do not keep funds idle with the Stock Broker. Your stock broker has to return the credit balance lying with them, within 3 working days in case you have not done any transaction within last 30 calendar days. In case of default of a Member, claim for funds and securities, without any transaction on the exchange will not be accepted by the relevant Committee of the Exchange as per the approved norms.
- ▶ Check the frequency of accounts settlement opted for. If you have opted for running account, please ensure that your broker settles your account and, in any case, not later than once in 90 days (or 30 days if you have opted for 30 days settlement). In case of declaration of trading member as defaulter, the claims of clients against such defaulter member would be subject to norms for eligibility of claims for compensation from IPF to the clients of the defaulter member. These norms are available on Exchange website at following links: NSE; BSE; MCX.
- ▶ Brokers are not permitted to accept transfer of securities as margin. Securities offered as margin/ collateral MUST remain in the account of the client and can be pledged to the broker only by way of 'margin pledge', created in the Depository system. Clients are not permitted to place any securities with the broker or associate of the broker or authorized person of the broker for any reason. Broker can take securities belonging to clients only for settlement of securities sold by the client.
- ▶ Always keep your contact details viz. Mobile number/Email ID updated with the stock broker. Email and mobile number is mandatory and you must provide the same to your broker for updation in Exchange records. You must immediately take up the matter with Stock Broker/Exchange if you are not receiving the messages from Exchange/Depositories regularly.
- ▶ Don't ignore any emails/SMSs received from the Exchange for trades done by you. Verify the same with the Contract notes/Statement of accounts received from your broker and report discrepancy, if any, to your broker in writing immediately and if the Stock Broker does not respond, please take this up with the Exchange/Depositories forthwith.
- ▶ Check messages sent by Exchanges on a weekly basis regarding funds and securities balances reported by the trading member, compare it with the weekly statement of account sent by broker and immediately raise a concern to the exchange if you notice a discrepancy.
- ▶ Please do not transfer funds, for the purposes of trading to anyone, including an authorized person or an associate of the broker, other than a SEBI registered Stock broker.
- ▶ Do not deal with unregistered intermediaries (who are not registered with SEBI/Exchanges)
- ▶ Caution: Clients/investors are cautioned to abstain from dealing in any schemes of unauthorised collective investments/portfolio management, indicative/ guaranteed/fixed returns / payments etc.