

FAQs for NRI - Trading Account

Q1. Who is a Non-Resident Indian (NRI)?

A: Non-Resident Indian (NRI) means a “person resident outside India who is a citizen of India or is a person of Indian origin”[as per FEMA regulations]

Q2. Can NRI invest in shares in India through a stock exchange?

A: Yes, NRI can purchase shares or convertible debentures of an Indian Company through stock exchanges, under the portfolio investment scheme on repatriation and /or non repatriation basis.

Q3. Are NRIs allowed to invest in Exchange Traded Funds (ETFs)?

A: Yes, NRIs are allowed to Invest in Exchange Traded Funds (ETFs). NRIs can invest in ETFs both on repatriation as well as non repatriation basis.

Q4. How can NRIs invest in shares in India?

A: As per Reserve Bank of India (RBI) guidelines, NRIs who wish to invest in shares in India through a stock exchange need to have NRE (Non Resident External) /NRO (Non Resident Ordinary)/ PIS (Portfolio Investment scheme) bank account with the designated branch of any authorized dealer (bank) authorized by Reserve Bank.

Q5. What is a designated bank branch?

A: Reserve Bank of India has authorized few branches of each authorized dealer bank to conduct the business under Portfolio Investment Scheme on behalf of NRIs. NRI can select only one authorized dealer bank for the purpose of investment under portfolio investment scheme and route the transactions through the branch designated by the authorized dealer bank.

Q6. Who is a person of Indian Origin?

A: For the purposes of investments in shares/securities in India, person of Indian origin means a citizen of any country other than Pakistan or Bangladesh, if

- he at any time, held an Indian passport; or
- he or either of his parents or any of his grand parents were a citizen of India by virtue of the Constitution of India or Citizenship Act, 1955 (57 of 1995); or
- the person is a spouse of an Indian citizen or a person referred to in clause (a) or (b)

Q7. Who is an Overseas Citizen of India (OCI)?

A: Under OCI Scheme operational from 02nd Dec 2005 government of India decided to grant overseas citizenship of India (OCI) commonly known as “dual citizenship”. A foreign national, who was eligible to become a citizen of India on 26.01.1950 or was a citizen of India on or at anytime after 26.01.1950 or belonged to a territory that became part of India after 15.08.1947 and his/her children and grand children, provided his/her country of citizenship allows dual citizenship in some form or other under the local laws, is eligible for registration as an Overseas Citizen of India (OCI). Minor children of such person are also eligible for OCI. However, if the applicant had ever been a citizen of Pakistan or Bangladesh, he/she will not be eligible for OCI.

Q8. Can PIO (Person of Indian Origin) as well as OCI (Overseas Citizen of India) also invest in shares in India?

A: Yes, PIOs and OCIs can invest in shares in India.

Q9. What is an Overseas Corporate Body (OCB)?

A: 'Overseas Corporate Body' means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty percent by Non-Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-Resident Indians directly or indirectly but irrevocably.

Q10. Can Overseas Corporate Body (OCBs) also invest in shares in India?

A: OCBs have been prohibited from making investments under Portfolio Investment Scheme. OCBs have been de-recognized as a class of investor entity w.e.f. September, 16, 2003. Further, the OCBs which have already made investments under the PIS are allowed to continue holding such shares till such time these are sold on the stock exchange.

Q11. What are the documents required to be collected from Investor to open a NRI/PIO/OCI trading & demat account?

A: Following documents are to be collected alongwith Account Opening Form (AOF) while registering NRI / PIO / OCI Clients

- One photograph of the applicant
- Copy of PAN Card
- Copy of Passport indicating (a) place of birth as India (b) Valid visa –Work / Student/ Employment/ Resident permit
- Copy of PIO / OCI Card in case of PIO/OCI
- Proof of both Overseas Address & Correspondence Address (if different) – Copy of any one document –
- Driving License
- Passport
- Utility Bills like Electricity Bill / Landline Telephone Bill (not more than 3 months old)
- Bank statement (not more than 3 months old)
- Notarized copy of Rent agreement/ Leave & license agreement / Sale deed
- Client's self-declaration that he has complied with & will continue to comply with FEMA regulations and other applicable laws
- Client's undertaking with complete Residential Address (other than PO Box address) in case he submits an Overseas Post Office Box address as Correspondence / Permanent address
- Proof of all Bank Details mentioned on AOF – Bank Statement (not more than 3 months old) indicating the type of account (NRE/NRO/PIS) alongwith cancelled cheque in original
- PIS permission letter from the respective designated Bank
- Proof of all Demat Accounts mentioned on AOF (in case account is not with PL-DP)
- In case of Mariner NRI, Certified copy of CDC (Continuous Discharge Certificate) or Mariner's Declaration

Note: Proof of Bank account & Demat account is to be collected in the name of first-holder only in case demat account is being opened with joint-holders

Q12. What are other client registration formalities to be taken care while registering NRI/PIO/OCI Clients?

A: In case of NRI/PIO/OCI client registration following care is to be taken:

- AOF & documents are required to be signed by client himself and not by any Power of Attorney Holder.
- All documents collected with AOF are self-attested by the client
- Every cancellation / correction / over-writing is authenticated by the client (full signature)
- If client's In-person verification & document verification is not possible, then any one of following authorised persons are required to attest their KYC documents
- Indian Embassy/Consulate General in the country where the client resides
- Notary Public
- Court Magistrate / Judge
- Officials of Overseas branches of Scheduled Commercial Banks registered in India

Note: Please read through the Instructions & Checklist given in the AOF before filling it

Q13. Is it mandatory for a client to provide local (Indian) address?

A: At the time of client registration, client has to mandatorily provide his foreign address along with documentary proof of the same. If client so desires, he may give his local Indian address as correspondence address. In such scenario, additionally he will be required to provide documentary evidence in support of local address also.

Q14. Can two separate trading accounts namely (NRE & NRO) be opened by NRI?

A: Yes, clients can have two separate trading accounts based on NRE & NRO.

Q15. What are the additional requirement with respect to contract notes?

A: Contract notes in original for both purchase and sale transactions needs to be submitted with in 24 hours to specified by the designated bank to enable designated banks to report the same to Reserve Bank of India.

Q16. What precautions trading member needs to take while dealing with NRI Clients?

A: Trading member need to ensure that

- Securities are not in RBI ban list before executing the order.
- Clear funds are available for purchases.
- Securities are available before executing any sell order.
- Depending upon whether the purchases are made on repatriation /non-repatriation basis pay-out of the securities needs to be transferred to respective demat account.
- Purchase/Sale transactions in cash segment should be settled by delivery only.

Q17. What is a Portfolio Investment Scheme (PIS)?

A: Portfolio Investment Scheme (PIS) is a scheme of Reserve Bank of India under which - Non Resident Indian (NRIs) can purchase/sell shares of Indian companies on Stock Exchanges under Portfolio Investment Scheme. For this purpose, the NRI/PIO has to apply to a designated branch of a bank, which deals in Portfolio Investment. All sale/purchase transactions are to be routed through the designated branch.

Q18. Is there any ceiling on the Investments under the Portfolio Investment Scheme?

A: NRIs are allowed to invest in shares of listed Indian companies in recognized Stock Exchanges under the PIS.

- a. NRIs can invest on repatriation and non repatriation basis under PIS route up to 5 per cent of the paid- up capital / paid-up value of each series of debentures of listed Indian companies.
- b. The aggregate paid-up value of shares / convertible debentures purchased by all NRIs cannot exceed 10 per cent of the paid-up capital of the company / paid-up value of each series of debentures of the company.
- c. The aggregate ceiling of 10 per cent can be raised to 24 per cent, if the General Body of the Indian company passes a special resolution to that effect.

Q19. Can an NRI have two PIS account?

A: No, any NRI or a PIO can have only one PIS account in India. Say for example if he is having a PIS account with X bank and he wants to shift to HDFC Bank, then he has to close the PIS account there and open a PIS account with HDFC Bank.

Q20. How limit is monitored as per FEMA regulations?

A: On a daily basis, fresh purchases done by any NRI or a PIO need to be reported to RBI by the NRI. Since RBI could not get in touch with all the NRIs/PIOs or the demand for such facility was increasing, it has appointed some banks as designated banks to conduct this activity on its behalf. These designated banks in turn report the transactions to RBI.

Q21. How will bank come to know of the transaction done by an NRI?

A: The NRI or the PIO has to report all the transaction done on Indian stock exchanges to the bank with which he is maintaining the PIS account. This reporting has to be done within one working day after the execution of the transaction. Client has to submit the contract notes to the PIS department within one working day failing which the transaction can be held invalid. All this reporting under PIS happens automatically and no manual intervention of the client is required.

Q22. What is Non-PIS?

A: Non-PIS is an account for which the transactions are not reported to RBI. This account takes care of selling of all those shares, which are not allowed under PIS. Shares acquired under IPO or received as gift or bought as resident Indian can be sold under Non-PIS account.

Q23. Why is Non-PIS required?

A: Non PIS account takes care of certain transactions which are not covered under PIS:

- Under IPO, it is the responsibility of the company to inform RBI of the shares it is allotting to NRIs; therefore these shares are not covered under PIS.
- Shares bought as resident Indian, do not confer the ownership right to any NRI as a foreign body, therefore these shares are also not covered under PIS.
- While declaring bonus, it is like a fresh issue of shares at zero cost, therefore the responsibility is of the company to inform RBI about the shares it is providing to NRIs. Also since bonus is provided to all, overall percentage holding remains the same.
- While investing in MF, the voting right or the ownership of the shares remains with the AMC/trust and not the individual investing in the MF. Therefore, here also reporting is not required and these transactions are covered under Non-PIS.

Q24. How payments could be made by NRIs for shares purchased on stock exchange?

A: Payment for purchase of shares and/or debentures on repatriation basis has to be made by way of inward remittance of foreign exchange through normal banking channels or out of funds held in NRE/FCNR(B) account maintained in India. If the shares are purchased on non-repatriation basis, the NRIs can also utilize their funds in NRO account in addition to the above.

Q25. How NRIs/PIO can remit Sale proceeds?

A: In case of NRI/PIO, if the shares sold were held on repatriation basis, the sale proceeds (net of taxes) may be credited to his NRE /FCNR(B)/NRO accounts of the NRI/PIO, whereas sale proceeds of non Repatriable investment can be credited only to NRO accounts

Q26. Can an NRI transfer shares purchased under PIS to others under private arrangement?

A: Shares purchased under PIS on stock exchange shall be sold on stock exchange only. Such Shares cannot be transferred by way of sale under private arrangement or by way of gift (except by NRIs to their relatives as defined in Section 6 of Companies Act, 1956 or to a charitable trust duly registered under the laws in India) to a person resident in India or outside India without prior approval of the Reserve Bank.

Q27. Can an NRI purchase securities by subscribing to public issue? What are the permissions/approvals required? How can those shares be sold?

A: Yes. The issuing company may issue shares to NRI on the basis of specific or general permission from GoI/RBI. Therefore, individual NRI need not obtain any permission. While seeking the credit of sale proceeds to NRE/NRO account, the designated bank should be provided with the details regarding date of allotment and cost of acquisition to calculate the taxes, if any.

Q28. Can NRI do Intra-day transactions in cash segment?

A: No, NRI Investor has to take delivery of shares purchased and give delivery of shares sold. Short Selling is not permitted.

Q29. Can NRI trade in futures & options segment of the Exchange?

A: Yes, NRIs are allowed to invest in futures & options segment of the exchange out of Rupee funds held in India on non repatriation basis, subject to the limits prescribed by SEBI.

Q30. Can NRI trade in Currency derivative segment of the Exchange?

A: No, Only "a person resident in India" as defined in section 2(v) of FEMA Act 1999 are allowed to participate in currency derivative segment of the Exchange.

Q31. Can trading account be opened for person's resident outside India who had been allotted shares under ESOP scheme?

A: Listed Indian companies are allowed to issue shares under the Employees Stock Option Scheme (ESOPs), to its employees or employees of its joint venture or wholly owned subsidiary abroad who are resident outside India, other than to the citizens of Pakistan. Trading account can be opened for person's resident outside India only for the sole objective of selling of shares acquired under ESOP Scheme.

Q32. Can rights/bonus shares be issued to NRI?

A: FEMA provisions allow Indian companies to issue Rights / Bonus shares to existing non-resident shareholders, subject to adherence of sectoral cap as may be applicable.

Q33. What needs to be done by NRIs for trading in Futures & Options segment of the Exchange?

A: An NRI, who wishes to trade on the F&O segment of the exchange, is required to obtain Custodial participant (CP) code from NSE through Prabhudas Lilladher Pvt Ltd (PL). Trading members (PL) should ensure that at the time of order entry CP Code of the NRI is placed in the CP Code field of the trading system. The NRI client shall have only one clearing member at any given point of Time

Q34. What are the limits applicable to NRI in Exchange Traded Derivative Contracts?

A: Position limits would be applicable on the combined position in all derivative contracts on an underlying stock at an Exchange. Position limits for NRIs shall be same as the client level position limits specified by SEBI from time to time.

- For Index based contracts - Disclosure requirement for any persons or persons acting in concert who together own 15% or more of the open interest of all derivative contracts on a particular underlying Index.
- For Stock option and single stock futures contracts -

The gross open position across all the derivative contracts for a security for each specific client shall not exceed higher of: 1% of the free float market capitalization (in terms of number of shares)

OR

5% of the open interest in all derivative contracts in the same underlying stock (in terms of number of shares)

Client level position limits security-wise, are made available to members on NSE's website (www.nseindia.com).

Q35 How Investment positions of NRIs are monitored?

A: Reserve Bank monitors the investment position of NRIs/FIIs in listed Indian companies, reported by designated banks, on a daily basis. When the total holdings of NRIs/FIIs under the Scheme reaches the limit of 2 percent below the sectoral cap, Reserve Bank will issue a notice (caution list) to all designated branches of designated banks cautioning that any further purchases of shares of the particular Indian company will require prior approval of the Reserve Bank.

Once the shareholding by NRIs/FIIs reaches the overall ceiling / sectoral cap /statutory limit, the Reserve Bank places the company in the Ban List. Once a company is placed in the Ban List, no NRI can purchase the shares of the company under the Portfolio Investment Scheme. List of caution/banned RBI scrip is available at http://www.rbi.org.in/scripts/BS_FiiUser.aspx

Q36. In case a person who is resident in India becomes a non-resident, will he/she be required to change the status of his/her holding from Resident to Non-Resident?

A: As per section 6(5) of FEMA, NRI can continue to hold the securities which he/she had purchased as a resident Indian, even after he/she has become a non resident Indian, on a non-repatriable basis.

Q37. In case a non-resident Indian becomes a resident in India, will he/she be required to change the status of his/her holding from Non- Resident to Resident?

A: Yes. It is the responsibility of the NRI to inform the change of status to the designated authorized dealer branch, through which the investor had made the investments in Portfolio Investment Scheme and the DP with whom he/she has opened the demat account. Subsequently, a new demat account in the resident status will have to be opened, securities should be transferred from the NRI demat account to resident account and then close the NRI demat account.

Q38. In case a non-resident Indian becomes a resident in India or vice versa, will he/she be required to open a new trading account?

A: Yes, Trading member needs to open a new trading account which needs to be uploaded with the new category code & as may be applicable.

Q39. If NRI/PIO desires to make investments under different schemes, can he hold all such securities in a single demat account?

A: No. Securities received against investments under 'Foreign Direct Investment scheme (FDI)', 'Portfolio Investment scheme (PIS)' and 'Scheme for Investment' on non – repatriation basis have to be credited into separate demat accounts. Investment under PIS could be on repatriation or non – repatriation basis. Investment under FDI scheme is on repatriation basis.

Q40. What happens if any NRI/PIO purchases shares, which he is not allowed to?

A: Say for example, if any NRI purchases shares of SBI, beyond the limit, which he can purchase, such fresh purchase is invalid and he would be asked to dispose of these shares immediately. Loss if any would be borne by the NRI only.

FAQs for Account Opening - Trading & Demat

Q1. Which entities are eligible to open their Trading & Demat Accounts with PL?

- Any Individual, Hindu undivided Family (HUF), Partnership Firm, Body Corporate, Trust, Society, Bank, Association of Persons (AOP), Limited Liability Partnership Firm (LLP) can open their Trading & Demat accounts with PL

Q2. What is KRA? Why is it required for a client to get himself registered with a KRA?

- KRA is KYC (Know Your Client) Registering Agency registered with SEBI which maintains KYC records of an Investor centrally, on behalf of Capital Market Intermediaries (i.e. Clearing Member of any Stock Exchange (CM) or Depository Participant (DP) or Mutual Fund (MF)) registered with SEBI
- KRA enables an investor to invest through various intermediaries after undergoing KYC process only once through an intermediary thus avoiding duplication of KYC process and inconvenience by eliminating the need to submit KYC documents each time he opens an account with an intermediary
- Any subsequent changes in demographic details of an investor across various intermediaries can be updated by simply updating the record maintained with KRA

Q3. How many KRAs are available in India? How do I get myself registered with a KRA?

- There are presently 3 KRAs registered with SEBI namely CDSL Ventures Ltd. (CVL), NSDL Database management Ltd. (NDML) & Dotex International Ltd.
- If you are entering Capital markets for the first time as an investor, then you will have to submit your KRA-KYC Form alongwith KYC documents to an Intermediary who will verify the details & documents against its originals. Thereafter they will forward the authenticated set of documents & KYC Form to KRA for registration.

Q4. How would I know if I am registered with a KRA?

- Upon submission of documents by the Intermediary, KRA will verify the data & KYC documents and register your name with them
- You will be intimated about the registration directly by KRA through an acknowledgement
- You can also check status of your application on respective KRA's website by querying on your PAN Card Number.

Q5. Whom should I contact to open an account with PL?

You can use any of the following options mentioned below and our Relationship Managers (RM) will contact you to complete all account opening formalities

- Leave your contact details with the branch location of your preference through our web-site <link to contact us>
- Visit any of our Service Branches, the list of the same is available on our website <link to branch-locator>
- Drop in your details by calling us at <tel no> or by sending an e-mail at <e-mail ID>

Q6. What documents are required to open Trading & Demat Account of an Individual?

- Duly filled Account Opening Form (AOF) alongwith KRA-KYC Form for all holders
- If KYC is already registered through any other Intermediary, then do not fill KRA-KYC Form attached to AOF. Instead attach respective KRA's Acknowledgement received at the time of registration or KRA's status report downloaded from their website
- Recent passport size photograph of all holders (signed half on photo & half on KRA-KYC Form)
- Copy of PAN Card of all holders
- Alternate proof of Identity if photo/signature on PAN Card is not clearly visible
- Copy of Address Proof (Correspondence & Permanent if different) of all holders
- Copy of Bank proof of Sole / First accountholder
- Income Proof of Sole / First accountholder - Mandatory for F&O Trading

- Power of Attorney, if opted for, duly signed by all holders of demat account
- Copy of Demat Account Proof - In case demat account is maintained elsewhere other than in PL-DP

Note:

- All documents are to be self-attested by client & stamped as “Verified from Original” by the RM
- Original Documents must be furnished for verification at the time of submitting the copies
- Refer below for details on documents accepted as proof of Identity, Address, Bank details & Income

Q7. What additional documents are required for opening account of an NRI applicant?

Apart from the documents mentioned above, an NRI applicant will also have to submit following documents

- Passport / PIO Card / OCI Card (any one document mandatory)
- Overseas Address Proof
- Declaration on having complied with FEMA regulations
- In case Overseas PO Box address is given as Correspondence/Permanent address, an undertaking bearing complete residential address (other than PO Box address) that Intermediary will be informed of change in residential address
- Mariners Declaration or Certified copy of Continuous Discharge Certificate (CDC) in case of Merchant Navy NRIs

Q8. What documents are required to open Trading & Demat Account of an HUF Entity?

- Duly filled Non Individual Account Opening Form (AOF) alongwith KRA-KYC Form in the name of HUF Entity
- Individual KRA-KYC Form of Karta of HUF alongwith proofs thereof
- If KYC is already registered through any other Intermediary, then do not fill KRA-KYC Form attached to AOF. Instead attach respective KRA's Acknowledgement received at the time of registration or KRA's status report downloaded from their website
- 2 Recent passport size photograph of Karta (signed half on photo & half on (a) Individual KRA-KYC Form & (b) Annexure of Non Individual KRA-KYC Form)
- Copy of PAN Card of HUF entity
- Copy of PAN Card & proof of address of Karta
- Alternate proof of Identity if photo/signature on Karta's PAN Card is not clearly visible
- Bank Passbook / Statement in the name of HUF entity, not more than 3 months old
- Copy of Address Proof (Correspondence & Permanent if different) (Copy of any one document –Acknowledgement of Income Tax Returns / Documents registered with Registering Authority / Bank Statement or Electricity or Telephone Bill not more than 3 months old)
- Self Declaration by Karta or Deed of Declaration of HUF giving details of family members including co-parceners of HUF with their names, sex, date of birth & relationship with Karta
- Copy of Bank proof of HUF Entity
- Income Proof of HUF entity - Mandatory for F&O Trading
- Power of Attorney, if opted for, duly signed by Karta of HUF & all co-parceners
- Copy of Demat Account Proof - In case demat account is maintained elsewhere other than in PL-DP

Note:

- The account name shall be as it appears in the PAN Card
- All signatures will be done by the Karta under HUF stamp as per name given on AOF
- All documents are to be self-attested by client & stamped as “Verified from Original” by the RM
- Original Documents must be furnished for verification at the time of submitting the copies
- Refer below for details on documents accepted as proof of Identity, Address, Bank details & Income
- HUF cannot be opened with joint-holders and also cannot appoint a Nominee

Q9. What documents are required to open Trading & Demat Account of a Corporate Body?

- Duly filled Non Individual Account Opening Form (AOF) alongwith KRA-KYC Form
- If KYC is already registered through any other Intermediary, then do not fill KRA-KYC Form attached to AOF. Instead attach respective KRA's Acknowledgement received at the time of registration or KRA's status report downloaded from their website
- Copy of PAN Card of Corporate Body
- Proof of Correspondence & Registered Office Address of Corporate (Copy of any one document – Agreement for Sale or Leave & Licence / Acknowledgement of Income Tax Returns / Documents registered with Registering Authority / Bank Statement or Electricity or Telephone Bill not more than 3 months old)
- Copy of Bank Proof
- Certified Copies of Memorandum & Articles of Association
- Certified Copy of Certificate of Incorporation (bearing Registrar's stamp & sign)
- Certified True Copy of Board Resolution duly certified by Chairman / MD / Director / CS, authorising opening of Trading & Demat account and specifying names of persons authorised by Board to operate the said accounts and act as its Authorised Signatories (Resolution to specify manner of operation i.e. individually or jointly)
- An Annexure to the Resolution on company's letterhead bearing Photograph, Full Name, Designation & Specimen Signature of Authorised Signatories, duly attested by Chairman / MD / Director / CS
- Copy of Balance Sheet for last 2 financial years
- Copy of latest share holding pattern including list of all those holding control, either directly or indirectly in terms of SEBI Takeover Regulations, duly attested by Chairman / MD / Director / CS
- PAN Card, Photograph, Proof of Identity & address and DIN numbers of Whole-time Directors or 2 Directors in charge of day to day operations
- PAN Card, Photograph, Proof of Identity & address and DIN numbers of Individual promoters holding control – either directly or indirectly
- Income Proof of Corporate Account holder - Mandatory for F&O Trading
- Power of Attorney, if opted for, duly signed by Authorised Signatories of demat account
- Copy of Demat Account Proof - In case demat account is maintained elsewhere other than in PL-DP

Note:

- All signatures will be done by the Authorised Signatories under Company stamp as per name given on AOF
- All documents are to be self-attested by Authorised Signatories & stamped as "Verified from Original" by the RM
- Original Documents must be furnished for verification at the time of submitting the copies
- Refer below for details on documents accepted as proof of Identity, Address, Bank details & Income

Q10. What documents are required to open Trading & Demat Account of a Partnership Firm?

- Duly filled Non Individual Account Opening Form (AOF) alongwith KRA-KYC Form in the name of Firm
- Individual KRA-KYC Form in the name of partners in whose name the demat account is being opened
- If KYC is already registered through any other Intermediary, then do not fill KRA-KYC Form attached to AOF. Instead attach respective KRA's Acknowledgement received at the time of registration or KRA's status report downloaded from their website
- 2 Recent passport size photograph of partners (signed half on photo & half on (a) Individual KRA-KYC Form & (b) Annexure of Non Individual KRA-KYC Form)
- Copy of PAN Card of Firm
- Copy of PAN Card & proof of address of partners
- Alternate proof of Identity if photo/signature on partner's PAN Card is not clearly visible
- Copy of Balance Sheets for last 2 financial years
- Certificate of registration (for registered partnership firms)
- Copy of Partnership deed

- Authority letter on Firm's letterhead, duly signed by all partners in favour of Managing Partners to open & operate trading & Demat account
- Copy of Bank proof of Partnership Firm
- Income Proof of Partnership Firm - Mandatory for F&O Trading
- Power of Attorney, if opted for, duly signed by partners in whose name demat account is opened
- Copy of Demat Account Proof - In case demat account is maintained elsewhere other than in PL-DP

Note:

- The demat account name shall be in the names of Managing Partners & not in the name of the Firm
- All signatures on Trading AOF will be done by Managing Partners under Firm's stamp as per name given on AOF while those on Demat AOF it will be done under their Individual capacity
- All documents are to be self-attested by client & stamped as "Verified from Original" by the RM
- Original Documents must be furnished for verification at the time of submitting the copies
- Refer below for details on documents accepted as proof of Identity, Address, Bank details & Income

Q11. What is the turnaround time for opening of an account?

- Generally 2 days from date of receipt of AOF at our Head Office in Mumbai provided AOF & KYC documents are complete in all respects

Q12. How will I be intimated of activation of my Account?

- You will receive a Welcome E-mail from our Client Relations Team with your complete Account details on the day after your account is activated.
- You will also receive a E-mail of scanned images of your AOF & KYC documents in next 4-5 days
- You will also receive following documents on your mailing address within 15 days of account activation
 - Welcome Letter for Trading & Demat account containing details updated with us
 - Client Master of your Demat Account (if opened with us)
 - Delivery Instruction Slip Booklet of your demat account
 - Login ID & Password to access your Trading account thro SMART facility
 - Annexure containing details of how to activate your SMART Account
 - Certified True Copy of your Limited POA given to us for operating your demat account

Q13. What documents are accepted as valid SEBI approved Proof of Identity & Address of Individual?

- PAN Card - Proof of Identity
- UID / Aadhaar Card – Proof of Identity
- Passport with photo, sign & address - Proof of Identity & Address
- Driving Licence with photo, sign & address – Proof of Identity & Address
- Voter's ID Card (front & back) – Proof of Identity & Address
- Ration Card – Proof of Address
- Flat Maintenance Bill / Insurance Copy – Proof of Address
- Electricity Bill / Landline Telephone Bill / Gas Bill – not more than 3 months old – Proof of Address
- Credit/Debit Card issued by Scheduled Commercial banks with photo & sign – Proof of Identity
- Leave & Licence Agreement / Sale Agreement of client's residence with pages bearing client's name, address alongwith last page with signatures evidencing the execution of agreement – Proof of Address
- Bank Statement or Passbook where client is first-holder in the bank account along with cancelled cheque and pages containing client's name, address & last transactions not more than 3 months old – Proof of Address
- Bank Verification Letter with Photo & Address attested by Bank Manager – Proof of Identity & Address

- ID Card or Document bearing client's photo, sign & address issued by (a) State or Central Government & its departments (b) Statutory Regulatory Authorities (c) PSU (d) Scheduled Commercial Banks (e) Public Financial Institutions (f) Colleges affiliated to universities (g) professional Bodies like ICAI, ICWAI, ICSI, Bar council etc. to its members – Proof of Identity & Address
- Document authenticating client's address issued by a Gazetted officer or Notary Public or MP/MLA – Proof of Address
- Any proof of address mentioned above in the name of client's spouse accompanied by proof of relationship like Marriage Certificate etc.

Note:

- In case of any overwriting on Bank Passbook or Logo missing on Bank Statement, then the copy must be duly attested in original under Bank Stamp alongwith Name, Designation & Signature of Bank Manager

Q14. What documents are accepted as valid proof of Bank details?

- Bank Statement or Passbook along with cancelled cheque and pages containing client's name, address & last transactions not more than 3 months old
- Cancelled Cheque Leaf bearing accountholder's name printed on it
- Original Bank Verification Letter, duly attested by Bank Manager, bearing client's photo, signature & address and certifying his Name, Account number, Branch IFSC & MICR code

Note:

- In case of any overwriting on Bank Passbook or Logo missing on Bank Statement, then the copy must be duly attested in original under Bank Stamp alongwith Name, Designation & Signature of Bank Manager

Q15. What documents are accepted as valid proof of Income?

- Salary Slip
- Form 16 for last financial year
- Bank Accounts Statement for last 6 months
- Demat Account Holding Statement with valuations
- Income Tax Returns Acknowledgement for last financial year
- Net-worth certificate from CA
- Annual Accounts
- Self-Declaration with relevant supporting
- Any other document substantiating ownership of assets

Q16. What are the charges that I need to pay for opening Trading & Demat Account?

- Account Opening Charges will be the charges for DP-BO Stamped Agreement (Rs.20/-) & POA for demat account if opted (Rs. 100/-)
- Annual Maintenance & Other Transaction charges for your Demat Account shall be as per scheme opted by you

Q17. Is Nomination mandatory for Trading & Demat Account?

- Nomination is applicable only to Individual accounts
- It is not mandatory. In case you do not wish to appoint a Nominee you will have to accordingly declare the same in the Nomination Form.
- However it is advisable to appoint a Nominee to your Trading & Demat accounts especially if the demat account is held in single name so that your securities are available to the heirs without them undergoing legal hassles.

Q18. Can I submit a documentary proof which is in regional language (i.e. other than English or Hindi)?

- Yes any document which is in regional language can be accepted as a valid proof
- The details shall be translated in either English or Hindi and duly attested by the branch personnel / RM

Q19. Can I give address of any third person to receive my documents?

- Yes you may provide address of third person / entity as your Correspondence address provided you give your Permanent address other than that mentioned in correspondence address alongwith proof thereof
- You shall also have to provide SEBI approved proof of identity & address in the name of such third person / entity whose address is being provided by you

Q20. Can I give attested copies if I am not able to produce original documents for verifications? If yes, who are authorised to attest the documents?

- Yes you may provide attested copies of documents in case you are not able to produce their originals for verification at the time of account opening
- Such documents shall be attested by any one of the following authorities -
 - Notary Public
 - Gazetted Officer
 - Manager of Scheduled Commercial / Co-operative / Multinational Foreign Bank
 - Court Magistrate / Judge
 - Authorised Officials of Overseas Branches of Scheduled Commercial Bank registered in India
 - Authorised Officials of Indian Embassy / Consulate General in the country in which the client resides or runs its business

Q21. Can I be able to know the status & transactions in my account once activated?

- Yes you can view the status & transactions done in your account 24x7
- For this you will have to activate your SMART Account on receipt of your Login ID & password in your Welcome Letter. The details for activation of SMART account is given in the annexure attached to our Welcome Letter