

A step-by-step guide to account opening

Opening a Trading account is a simple process that requires certain eligibility documents. Similar to opening a bank account, the documents required for a Trading account include proof of identity, address, income, bank account, Demate Account Proof (client Master), PAN card, and photographs. Additionally, if you want to enter into certain specific segments, like futures, options, and derivatives, you may be asked to submit proof of recent income tax returns, salary, bank account statements, etc.

Here is a step-by-step guide to opening a Trading account offline:

- **Gather Required Documents:** Ensure you have the necessary documents for opening a Demat account, including proof of identity (such as PAN card), proof of address (recent utility bills), proof of income, proof of bank account, PAN card, and photographs.
- **You need to Open first Demate account with DP of your choice,** which can be a bank or a brokerage firm. Research and compare the services and charges offered by different DPs before making a decision.
- **Account Opening Form:** Obtain the account opening form from the chosen Brokerage house by physically visiting the branch or downloading from their website.
- **Filling the Form:** Carefully filling the account opening form with accurate information. Double-check all the details before submitting the form.
- **Attach Required Documents:** Attach all the necessary documents as mentioned in the form, including proof of identity, address, income, bank account details, PAN card, and photographs. Make sure to provide photocopies as per the DP's requirements.
- **Visit the Stock Broker's Office:** Visit the broker office in person and submit the filled-out form along with the required documents. Hand over the photocopies for verification and keep the original documents with you for verification purposes.
- **Personal Verification:** The stock broker will conduct a personal verification process to confirm your identity and other details. This may involve a face-to-face meeting or video verification.
- **Application Processing:** Once the personal verification is completed, the broker will process your application for opening a trading account.
- **Trading Account Number/Customer ID:** After the application is processed successfully, you will receive a unique Trading account number or customer ID from the DP. This will serve as your identification for future transactions.
- **Start Trading:** With your trading account successfully opened, you can now link it with a Demate account and start trading/ investing in the and other capital market-related instruments. Don't forget to include funds in your trading account before trading/ investing.

In conclusion, a Trading account not only facilitates investing and trading, but also serves as a secure and convenient way to hold and manage various financial securities in electronic form.

Account Opening Documents for Individual-

Proof of Identity (POI): List of documents admissible as Proof of Identity:

1. PAN card with a valid photograph. This is a mandatory requirement for all applicants except those who are specifically exempt from obtaining PAN (listed in “Exemptions/Clarifications” to PAN section)
2. Unique Identification Number (UID) (Aadhaar/ Passport/ Voter ID card/ driving license)
3. Identity card/document with applicant’s photo, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Member IDs by Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc. and Credit Cards/Debit Cards issued by Banks

Proof of Address (POA): List of documents admissible as Proof of Address:

1. Passport/Voters Identity Card/Ration Card/Registered Lease or Sale Agreement of Residence/Driving License/Flat Maintenance bill/Insurance Copy
2. Utility bills like Telephone Bill (only landline), Electricity bill or Gas bill – Not more than 3 months old
3. Bank Account Statement/Passbook – Not more than 2 months old
4. Self-declaration by High Court and Supreme Court judges, giving the new address in respect of their own accounts
5. Proof of Address issued by any of the following: Bank Managers of Scheduled Commercial Banks, Scheduled Co-Operative Bank or Multinational Foreign Banks/Gazetted Officer/Notary public/Elected representatives to the Legislative Assembly or Parliament/Documents issued by any Government or Statutory Authority
6. Identity card/document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members
7. For FII/sub account: Power of Attorney document given by FII/sub-account to the Custodians (which are duly notarized and/or apostilled or consularised) that mentions the registered address

8. The proof of address in the name of the spouse may be accepted

Note: Documents having an expiry date should be valid on the date of submission.

Proof of Income: List of documents admissible as Proof of Income*

1. A photocopy of the Income Tax Return (ITR) Acknowledgement slip submitted to the Income Tax Department during tax filing
2. A Net Worth Certificate certified by a Chartered Accountant; alternatively a photocopy of the Annual Accounts duly audited by a qualified Chartered Accountant
3. Proof of Salary in the form of a recent Salary Slip or relevant document which proves income or net worth like form 16
4. A statement of Demat account holdings with an eligible Depository Participant
5. Current bank account statement reflecting the income history of the client for the past 6 months
6. Other documents that substantiate ownership of assets through self-declaration along with documents supporting the claim

Exemptions/Clarifications to PAN*

1. In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.

2. Investors residing in the state of Sikkim.
3. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.
4. [SIP](#) of Mutual Funds up to Rs. 50,000/- p.a.
5. In case of institutional clients, namely, FIIs, MFs, VCFs, FVCIs, Scheduled Commercial Banks, Multilateral and Bilateral Development Financial Institutions, State Industrial Development Corporations, Insurance Companies registered with IRDA and Public Financial Institution as defined under section 4A of the Companies Act, 1956, Custodians shall verify the PAN card details with the original PAN card and provide duly certified copies of such verified PAN details to the intermediary.

Note: Sufficient documentary evidence in support of such claims to be collected.

List of people authorized to attest the documents:

1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy)
2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, and Indian Embassy/Consulate General in the country where the client resides are permitted to attest the documents

Apart from these documents, the Depository participant or your broker might ask you to present additional proof for identity, address, and income. Once all the documents are submitted, verified, and checked by the concerned departments, your account will be opened.

Account Opening Documents for HUF-

- Self-attested PAN card copy of the coparcener or member.
- A bank account proof of the HUF account. The bank proof can be one of the following: A personalised cancelled cheque with the HUF name printed, bank statement, bank passbook copy with the bank account number, MICR, and IFSC code clearly visible.

Any one of the following income proof of HUF to activate the F&O and commodity segment:

- Latest six months' bank statement or passbook of the HUF account.
- Latest year audited profit and loss statement.
- Latest year Income Tax Return (ITR) acknowledgement.
- Net-worth certificate from the chartered accountant with the UDIN number specified.
- DP holding statement of the HUF.

If Karta is a female, provide an additional self-declaration form as a hard copy along with the abovementioned documents.

Account Opening Documents for LLP/CPMPANY-

- A PAN copy of the company with the seal and signature of the authorised signatory or director.
- Address proof in the company's name with the seal and signature of the authorised signatory or director. The proof can be any one of the following: certificate of incorporation, the latest month's transaction copy of bank statement, utility bill, Ministry of Corporate Affairs (MCA) copy, or lease or rent agreement.
- Self-attested individual PAN copies of all the authorised signatories or directors.
- Self-attested individual address proof of all the authorised signatories or directors.
- Additional copy of PAN and address proof of the authorised signatories with company seal and signature.
- Individual KYC form signed by each whole-time or executive director. The director has to sign without the stamp on individual KYCs and supporting documents.
- A copy of the certificate of incorporation with seal and signature of authorised signatory or director.
- The Memorandum of Association (MOA) and the Articles of Association (AOA) of the company, with authorised signatory or director seal and signature on the first 4 pages of the MOA and AOA. If the director details are missing on the MOA, and AOA, an additional FORM-32 or DIR-12 copy is to be submitted.
- A copy of the balance sheet of the latest two financial years with the seal and signature of the authorised signatory or director. The balance sheet must also be attested by a Chartered Accountant (CA) and have the CA's name, CA company name, member registration number (M. NO), UDIN, date and city. Refer to the sample balance sheet The balance sheet has to be submitted every financial year after the account is opened.
- If the company is newly incorporated, then a net-worth certificate from the chartered accountant with UDIN- number specified and income tax

declaration on the company letterhead with authorised signatory or director seal and signature.

- A bank account proof of the company. The proof can be any one of the following: A personalised cancelled cheque with the company name printed on it, a bank statement, a bank passbook copy with the bank account number, MICR, and IFSC code clearly visible.
 - Any one of the following income proof to activate the F&O and commodity segment:
 - Latest six months' bank statement or passbook of the company account.
 - Latest year audited profit and loss statement.
 - Latest year Income Tax Return (ITR) acknowledgement.
 - Net-worth certificate from the chartered accountant with the UDIN number specified.
 - DP holding statement of the entity.
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Account opening annexures

- Board resolution on the company letterhead
 - List of directors
 - Latest shareholding pattern
 - Annexure A on the company letterhead
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Ultimate Beneficial Owner (UBO)

An individual is identified as an ultimate beneficiary if they have shareholding, capital or profits of 10% or more in the company. They are required to submit the UBO annexure

In case no individual is identified, the senior managing official may be considered as the UBO, and the following documents are to be submitted:

- A copy of the UBO annexure with signature on the 3rd page of an individual holding 10% or more.
 - A self-attested copy of the PAN and address proof of those holding 10% or more.
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- If an entity has more than 10% of the shareholding, capital or profits in the company. The entity should identify as an ultimate beneficiary and is required to submit the following documents:
 - A copy of the UBO annexure with signature on the 3rd page of all the shareholders of such an entity holding 10% or more.
 - A copy of the PAN and address proof with self-attestation of all the shareholders of such an entity holding 10% or more.
 - Latest shareholding pattern (on the company letterhead) of such an entity holding 10% or more, with the signature of the whole-time director or individual promoters.
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In-person Verification (IPV)

As part of the mandatory IPV requirement for all brokers, the authorised person must complete the verification. The verification can be done online or offline. To do it offline, the authorised person must visit a branch office, or a representative of would be required to visit the offices or residences of the client to complete the IPV procedure.

If the KYC of the company and the directors are registered, the following documents are required to open a corporate account:

Application form

Equity application form Demat Debit and Pledge Instruction (DDPI) form is a document that allows a broker to debit the securities from the client's demat account and deliver them to the exchange.

FATCA Declaration

Foreign Account Tax Compliance Act (FATCA) declaration

Supporting documents

- A copy of the balance sheet of the latest two financial years with the seal and signature of the authorised signatory or director. The balance sheet must also be attested by a Chartered Accountant (CA) and have the CA's name, CA company name, member registration number (M. NO), UDIN, date and city. Refer to the sample balance sheet The balance sheet has to be submitted every financial year after the account is opened.
 - If the company is newly incorporated, a net-worth certificate from the chartered accountant with UDIN- number specified and income tax declaration on the company letterhead with an authorised signatory or director seal and signature is to be submitted.
 - A bank account proof of the company for linking with . The proof can be any one of the following: A personalised cancelled cheque with the company name printed on it, a bank statement, a bank passbook copy with the bank account number, MICR, and IFSC code clearly visible.
 - Any one of the following income proof to activate the F&O and commodity segment:
 - Latest six months' bank statement or passbook of the company account.
 - Latest year audited profit and loss statement.
 - Latest year Income Tax Return (ITR) acknowledgement.
 - Net-worth certificate from the chartered accountant with the UDIN number specified.
 - DP holding statement of the entity.
 - Board resolution on the company letterhead
 - UBO Annexure A
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What is the procedure to open an account as a Trust?

A trust account can only be opened offline. If the trust is publicly registered, the trading, demat and commodity account is opened in the name of the trust. If the trust is an unregistered private trust, the trading and commodity account is opened in the name of the trust, and the demat account is opened in the name of the managing trustee.

Application form

- Equity application form [_](#) and commodity application form [_](#).
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Demat Debit and Pledge Instruction (DDPI) form [_](#) is a document that allows a broker to debit the securities from the client's demat account and deliver them to the exchange.

FATCA Declaration

Foreign Account Tax Compliance Act (FATCA) declaration [_](#).

Account opening annexures - To be printed on the trust letterhead.

- Authority Letter [_](#).
 - Annexure A - List of Trustees [_](#).
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Supporting Documents

- A PAN copy of the trust with the authorised trustee or signatory seal and signature.
 - Address proof in the name of the trust with the authorised trustee or signatory seal and signature. Address proof can be any one of the following: Last month's transaction copy of bank statement, utility bill, lease agreement or rent agreement or registration certificate.
 - Self-attested individual PAN copies of all the authorised trustees or signatories.
 - Self-attested individual address proof of all the authorised trustees or signatories.
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- Individual KYC form filled and signed by the authorised trustee or signatory without the seal.
 - A copy of the trust deed with the investment clause included, attested by a public notary. The first three pages of the trust deed (on all pages if lesser) should have the seal and signature of the authorised signatory.
 - 12-AA Registration certificate for public registered trust.
 - A copy of the balance sheet of the latest two financial years with the seal and signature of the authorised trustee or signatory. The balance sheet must also be attested by a Chartered Accountant (CA) and have the CA's name, CA company name, member registration number (M. NO), UDIN, date and city. Refer to the sample balance sheet . The balance sheet has to be submitted every financial year after the account is opened.
 - If the trust is newly incorporated, a net-worth certificate from a CA with UDIN Number specified and Income Tax Declaration on the trust letterhead with the authorised trustee or signatory seal and signature.
 - A bank account proof of the trust for linking with the account. The bank proof can be one of the following: A personalised cancelled cheque with the trust name printed, a bank statement or bank passbook copy with the bank account number, MICR, and IFSC code clearly visible.
 - Any one of the following income proof:
 - Latest six months' bank statement or passbook of the trust account.
 - Latest year audited profit and loss statement.
 - Latest year Income Tax Return (ITR) acknowledgement.
 - Net-worth certificate from the chartered accountant with the UDIN number specified.
 - DP holding statement of the entity.
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Ultimate Beneficial Owner (UBO)

If an individual has 10% or more of shareholding, capital or profits in the trust, the individual should be identified as an ultimate beneficiary and submit the UBO annexure .

In case no individual is identified, the senior managing official may be considered as the UBO, and the following documents are to be submitted:

- A copy of the UBO annexure __ with signature on the 3rd page of an individual holding 10% or more.
 - A self-attested copy of the PAN and address proof of those holding 10% or more.
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In-person Verification (IPV)

As part of the mandatory IPV requirement for all brokers, the authorised person must complete the verification. The verification can be done online or offline. To learn how to do it online To do it offline, the authorised person must visit a branch office, or a representative of would be required to visit the offices or residences of the client to complete the IPV procedure.

If the trust and the trustees' KYC are registered, the following documents are required to open a Trust account:

- A copy of the balance sheet of the latest two financial years with the seal and signature of the authorised trustee or signatory. The balance sheet must also be attested by a Chartered Accountant (CA) and have the CA's name, CA company name, member registration number (M. NO), UDIN, date and city. Refer to the sample balance sheet __. The balance sheet has to be submitted every financial year after the account is opened.
 - If the trust is newly incorporated, a net-worth certificate from a Chartered Accountant with UDIN- Number specified and Income Tax Declaration __ on the trust letterhead with the authorised trustee or signatory seal and signature.
 - A bank account proof of the trust for linking with the account. The bank proof can be one of the following: A personalised cancelled cheque with the trust name printed, a bank statement or bank passbook copy with the bank account number, MICR, and IFSC code clearly visible.
 - Any one of the following income proof to activate the F&O and commodity segment:
 - Latest six months' bank statement or passbook of the trust account.
 - Latest year audited profit and loss statement.
 - Latest year Income Tax Return (ITR) acknowledgement.
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- Net-worth certificate from the chartered accountant with the UDIN number specified.
 - DP holding statement of the entity.
 - Authority Letter [.](#)
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Once all the documents are ready, submit of all the forms and supportings. The forms will be reviewed in case any corrections are required. After the forms are reviewed, courier the documents

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