

## **DOS AND DON'TS FOR INVESTORS**

<b>S. No</b>	<b>Guidance</b>
1	Always deal with a SEBI registered Depository Participant for opening a demat account.
2	Read all the documents carefully before signing them.
3	Before granting Power of attorney /DDPI to operate your demat account to an intermediary like Stock Broker, Portfolio Management Services (PMS) etc., carefully examine the scope and implications of powers being granted.
4	Always make payments to registered intermediary using banking channels. No payment should be made in name of employee of intermediary.
5	Accept the Delivery Instruction Slip (DIS) book from your DP only (pre- printed with a serial number along with your Client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS slips. Always mention the details like ISIN, number of securities accurately. In case of any queries, please contact your DP or broker and it should be signed by all demat account holders. Strike out any blank space on the slip and Cancellations or corrections on the DIS should be initialed or signed by all the account holder(s). Do not leave your instruction slip book with anyone else. Do not sign blank DIS as it is equivalent to a bearer cheque.
6	Inform any change in your Personal Information (for example address or Bank Account details, email ID, Mobile number) linked to your demat account in the prescribed format and obtain confirmation of updation in system
7	Mention your Mobile Number and email ID in account opening form to receive SMS alerts and regular updates directly from depository.
8	Always ensure that the mobile number and email ID linked to your demat account are the same as provided at the time of account opening/updation.
9	Do not share password of your online trading and demat account with anyone.
10	Do not share One Time Password (OTP) received from banks, brokers, etc. These are meant to be used by you only.
11	Do not share login credentials of e-facilities provided by the depositories such as e-DIS/demat gateway, SPEED-e/easiest etc. with anyone else.
12	Demat is mandatory for any transfer of securities of Listed public limited companies with few exceptions.
13	If you have any grievance in respect of your demat account, please write to designated email IDs of depositories or you may lodge the same with SEBI online at <a href="https://scores.sebi.gov.in/">https://scores.sebi.gov.in/</a>
14	Keep a record of documents signed, DIS issued and account statements received.
15	As Investors you are required to verify the transaction statement carefully for all debits and credits in your account. In case of any unauthorized debit or credit, inform the DP or your respective Depository.
16	Appoint a nominee to facilitate your heirs in obtaining the securities in your demat account, on completion of the necessary procedures.
17	Register for Depository's internet based facility or download mobile app of the depository to monitor your holdings.
18	Ensure that, both, your holding and transaction statements are received periodically as instructed to your DP. You are entitled to receive a transaction statement every month if you have any transactions.
19	Do not follow herd mentality for investments. Seek expert and professional advice for your investments
20	Beware of assured/fixed returns.

RIGHTS OF INVESTORS	RESPONSIBILITIES OF INVESTORS
<ol style="list-style-type: none"> <li>1) Receive a copy of KYC, copy of account opening documents.</li> <li>2) No minimum balance is required to be maintained in a demat account.</li> <li>3) No charges are payable for opening of demat accounts.</li> <li>4) If executed, receive a copy of Power of Attorney /DDPI However, Power of Attorney /DDPI is not a mandatory requirement as per SEBI / Stock Exchanges. You have the right to revoke any authorization given at any time.</li> <li>5) You can open more than one demat account in the same name with single DP/ multiple Dps.</li> <li>6) Receive statement of accounts periodically. In case of any discrepancies in statements, take up the same with the DP immediately. If the DP does not respond, take up the matter with the Depositories.</li> <li>7) Pledge and /or any other interest or encumbrance can be created on demat holdings.</li> <li>8) Right to give standing instructions with regard to the crediting of securities in demat account.</li> <li>9) Investor can exercise its right to freeze/defreeze his/her demat account or specific securities / specific quantity of securities in the account, maintained with the DP.</li> <li>10) In case of any grievances, Investor has right to approach Participant or Depository or SEBI for getting the same resolved within prescribed timelines.</li> <li>11) Every eligible investor shareholder has a right to cast its vote on various resolutions proposed by the companies for which Depositories have developed an internet based 'e-Voting' platform.</li> <li>12) Receive information about charges and fees. Any charges/tariff agreed upon shall not increase unless a notice in writing of not less than thirty days is given to the Investor.</li> </ol>	<ol style="list-style-type: none"> <li>1) Deal with a SEBI registered DP for opening demat account, KYC and Depository activities.</li> <li>2) Provide complete documents for account opening and KYC (Know Your Client). Fill all the required details in Account Opening Form / KYC form in own handwriting and cancel out the blanks.</li> <li>3) Read all documents and conditions being agreed before signing the account opening form.</li> <li>4) Accept the Delivery Instruction Slip (DIS) book from DP only (preprinted with a serial number along with client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS.</li> <li>5) Always mention the details like ISIN, number of securities accurately.</li> <li>6) Inform any change in information linked to demat account and obtain confirmation of updation in the system.</li> <li>7) Regularly verify balances and demat statement and reconcile with trades / transactions.</li> <li>8) Appoint nominee(s) to facilitate heirs in obtaining the securities in their demat account.</li> <li>9) Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.</li> </ol>

#### ANNEXURE - A

- A. **Basic Services Demat Account (BSDA):** The facility of BSDA with limited services for eligible individuals was introduced with the objective of achieving wider financial inclusion and to encourage holding of demat accounts. No Annual Maintenance Charges (AMC) shall be levied, if the value of securities holding is upto INR 50,000/-. For value of holdings between INR 50,001 to INR 2,00,000/-, AMC not exceeding INR 100/- is chargeable. In case of debt securities, there are no AMC charges for holding value upto INR 1,00,000/- and a maximum of INR 100/- as AMC is chargeable for value of holdings between INR 1,00,001/- to INR 2,00,000/-.
- B. **Transposition cum dematerialization:** In case of transposition-cum- dematerialisation, client can get securities dematerialised in the same account if the names appearing on the certificates match with the names in which the account has been opened but are in a different order. The same may be done by submitting the security certificates along with the Transposition Form and Demat Request Form.
- C. **Linkages with Clearing System** for actual delivery of securities to the clearing system from the selling brokers and delivery of securities from the clearing system to the buying broker.
- D. **E-account opening:** Account opening through digital mode, popularly known as "On-line Account opening", wherein investor intending to open the demat account can visit DP website, fill in the required information, submit the required documents, conduct video IPV and demat account gets opened without visiting DPs office.
- E. **Online instructions for execution:** internet-enabled services like Speed-e (NSDL) & Easiest (CDSL) empower a demat account holder in managing his/her securities 'anytime-anywhere' in an efficient and convenient manner and submit instructions online without the need to use paper. These facilities allows Beneficial Owner (BO) to submit transfer instructions and pledge instructions including margin pledge from their demat account. The instruction facilities are also available on mobile applications through android, windows and IOS platforms.
- F. **e-DIS / Demat Gateway:** Investors can give instructions for transfer of securities through e-DIS apart from physical DIS. Here, for on-market transfer of securities, investors need to provide settlement number along with the ISIN and quantity of securities being authorized for transfer. Client shall be required to authorize each e-DIS valid for a single settlement number / settlement date, by way of OTP and PIN/password, both generated at Depositories end. Necessary risk containment measures are being adopted by Depositories in this regard.
- G. **e-CAS facility:** Consolidated Account Statements are available online and could also be accessed through mobile app to facilitate the investors to view their holdings in demat form.
- H. **Miscellaneous services:** Transaction alerts through SMS, e-locker facilities, chatbots for instantaneously responding to investor queries etc. have also been developed.