

Demat Account Opening Process

What is Demat Account?

A Demat Account is a medium through which one can hold stock market shares and other securities like Initial Public Offerings (IPOs), bonds, government securities, mutual fund units and Exchange-Traded Funds (ETFs) etc. A Demat Account not only assures the security of all such financial investments but also facilitates ease of their handling and maintenance.

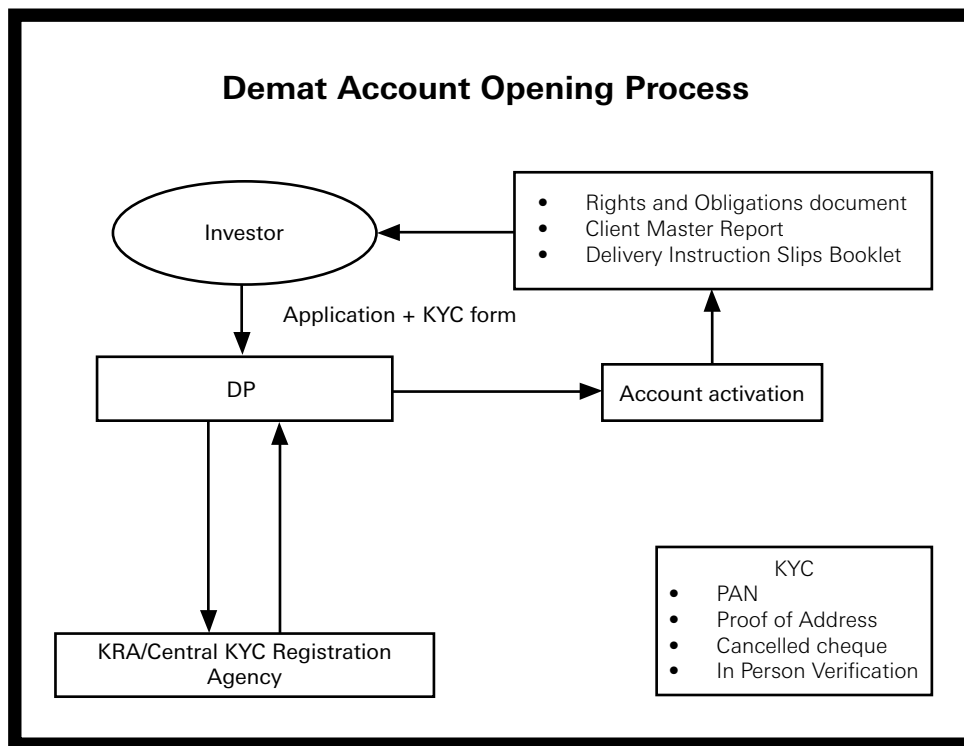
There are numerous uses of your Demat Account. Few important things that you can do with your Demat Account are listed below:

- You may apply for IPOs and NFOs. Do not forget to mention your DP ID and Client ID correctly in the application form. Same Demat Account can be used to purchase and hold shares and other types of securities
- You will automatically receive all corporate benefits (bonus, rights issue, etc.) in your Demat Account. Cash benefits like dividend declared by your company, interest or maturity amount payable on your bond investments etc. would be credited to bank account linked with your Demat Account. Please ensure correct bank account details are recorded in your Demat Account
- You may use your Demat Account to avail 'loan against shares' facility which is offered by many banks etc. to meet your financial requirements without requiring to sell the investments
- You may convert all your investments in shares, bonds, debentures, government securities, sovereign gold bonds etc. held in paper form to demat form through your DP
- You may hold your mutual fund investments in the same Demat Account. Holding mutual fund units in Demat Account makes things a lot easier for you. You would be able to monitor your portfolio at one place through NSDL. It also saves you from the need to engage with various mutual fund houses if you want to make any change in your personal information, for example, address or bank details or nominee, etc. You may subscribe to mutual fund units in demat form by simply mentioning your DP ID and Client ID in application form. Investment in mutual funds by way of SIP is also possible through your Demat Account. For redemption or repurchase of mutual fund units, you may give an instruction to your DP or may use NSDL's SPEED-e facility
- You may participate in buyback offer by tendering your shares to company through your Demat Account
- You may participate in securities lending and borrowing scheme by lending securities lying idle in your Demat Account and may earn market returns

Procedure for opening of Demat Account (For Individual Customer at the branch):

- Opening a Demat Account is quite simple. You can approach any of the HSBC Bank Branch, which will help you to complete the formalities.
- Submit a duly filled account opening form and KYC form. Along with this, you will need to attach self-attested copies of:
 - PAN Card
 - ID Proof
 - Address Proof
 - Passport-sized photograph(s)
 - For NR customer copy of Passport/Visa/OCI/FRRO, etc.

Do carry all the original documents for the purpose of account opening.



What is in-person verification?

It is mandatory to establish the identity of the applicant at the time of opening account as per SEBI guidelines. This is done by the DP's staff by verifying the affixed photograph on account opening form and the photo seen on document on PAN card with the person seeking to open the account. For Joint accountholders, the 'in-person verification' is required for all the holders.

Providing bank account details at the time of Demat Account opening is mandatory. These bank details are communicated to issuer companies/RTAs for the purpose of crediting any amount, payable to you, directly in your bank account (such as dividend, interest or maturity payment or redemption amount). It is therefore suggested that you provide details of your active bank account in the account opening form. Later, in case of any change, please remember to inform to your DP for updation of your bank account details.

- You will then need to sign the account opening form that will mention all the rules, regulations and rights associated with holding a Demat Account. Do read them carefully and do not hesitate to clear all your doubts. When this is submitted to the Demat Desk of HSBC Bank, it will be signed by an authorised person, and a copy of the Rights and Obligations document will be given to you
- Once the account is opened, you will receive a unique Client ID from us
- You will also be given instruction slips, which will be of use for depository services like transfer, purchase, etc.
- The depository has not prescribed any minimum balance. You can have zero balance in your Demat Account. Also, you can open more than one Demat Account with the same DP. There is no restriction on the number of accounts you can open with a DP
- What is 'Standing Instruction' given in the account opening form? In Demat Account, debit or credit transactions are permitted only if it is duly authorised by the respective holder(s). A Delivery Instruction Slip (DIS) is required for every debit transfer in the Demat Account, and a 'Receipt Instruction Slip' is required for every credit transfer in the Demat Account. By giving a onetime Standing Instruction to your DP, you may avoid giving receipt instruction to your DP whenever a credit is expected in the account. In case of NRE account we need an RBI reference number to activate this direct credit facility
- Can I operate a joint account on 'Either or Survivor' basis just like a bank account? No. As per rules applicable at present, Demat Account cannot be operated on 'Either or Survivor' basis like the bank account. Therefore, every instruction given for a jointly held Demat Account needs to be signed by all the joint holders

How to open a Demat Account online*?

A Demat Account can be applied online as well. You can easily open a Demat Account online from the comfort of your home or office, anytime in just a few clicks.

- Login into your Personal Internet Banking (PIB)/Mobile Banking
- Click on the 'Simply Invest' icon and follow the instructions. Some of the fields will be auto populated on that screen i.e. Name, PAN Number, Address, Mobile number etc.

- There are Important Declaration, Terms and Conditions and Notes section which you have to read and acknowledge
- Once you click on acknowledge, you will be redirected to the NSDL web page where you can fill rest of the details
- Once the details are filled up, you will receive a One-Time Password (OTP) on your registered mobile number. This OTP will be linked to your mobile number registered against your Aadhaar number
- After OTP validation, you will receive a message with reference to your DP ID and Clients ID. Your account will be activated within 24 hours from receiving the message after all verification is completed
- Please make sure your PAN – Aadhaar linking is done or else your Demat Account may get suspended or blocked

* Online facility is available to Individual Resident Customers only.

Demat Account details

Your Demat service provider needs to give you the following details:

- DP ID
- Beneficiary ID or Demat Account number

For additional details you can visit the HSBC Website where the below mentioned document are also available for reference. (<https://www.hsbc.co.in/accounts/products/demat/>).

- Account opening form
- Investor Charter
- Rights and Obligations
- Nomination Form
- Demat Account tariff

Procedure for opening of Demat Account: Corporate clients

- Corporate customers with an existing HSBC banking relationship, can open a Demat Account by approaching their HSBC Relationship Manager (RM)
- Based on client requirement, RM will share with the client the Corporate Demat Account opening form and list of KYC/supporting documents required for the account opening
- Once client submits the completed set of account opening form and supporting documents, these will be verified in line with the regulatory requirements for opening a Demat Account
- Post successful verification of documents, Demat Account is opened in the depository system
- Clients are informed via an e-mail by their respective RM once the account opening is completed

Procedure for opening of Demat Account: Custody clients

As a part of our custody product offering, we open Demat Accounts for our clients who enter into a custody relation with us. The steps followed in opening of Demat Account for such are furnished below:

- The client can approach HSBC India Securities Services team (e-mail ID - bomcnc1@hsbc.co.in) for starting custody relationship and opening of Demat Account with HSBC
- The exhaustive list of KYC and supporting documents as required for account opening are shared with clients as per their requirement
- Once documents are provided by the clients along with the account opening instruction, the same is verified with the regulatory requirements for opening of Demat Accounts
- Post verification of documents, Demat Account is opened on the depository system
- Clients are informed via E-mail/SWIFT once the account opening is completed

Complaint Filing Process

Customer Grievance Redressal Process: Individual and Corporate clients

Please click on the link below to get details of the grievance redressal escalation matrix. To file a complaint please write or call us as per grid mentioned in the link.

Annexure A Grievance Redressal Matrix (hsbc.co.in)

Once you write to us you will hear back within 7 working days, with the details of your feedback. We will share a complaint number with you, for future reference.

To find out the status of the complaint, you may write to us at the e-mail ID or call us during working hours (9.30 a.m. to 4.30 p.m. Monday to Friday) on the respective phone numbers provided in the escalation matrix mentioned above.

Please quote the complaint reference number in all future communication to inquire about the status of the complaint.

Customer Grievance Redressal Process: Custody clients

- For complaint filing with HSBC, custody clients can contact their dedicated Client Services Manager or Client Executive. Clients can also write to our designated e-mail ID - **bomcnc1@hsbc.co.in**
- A unique reference number will be received by the client to each query for easy tracking
- Clients will receive a response within the same business day of receipt. We will provide holding response if response is likely to take longer
- Clients can find the status of their complaint either by writing to us at e-mail ID - **bomcnc1@hsbc.co.in** and/or call their designate Customer Service Manager
- For escalation matrix, kindly refer to the 'Annexure A Grievance redressal Matrix'
- In case complaint is not redressed, clients may lodge the complaint with SEBI on SCORES (a web based centralised investor grievance redressal mechanism at SEBI) at following URL: **<https://www.scores.gov.in/scores/Welcome.html>**