

## FAQs on Demat and Broking

1. Can a demat account be opened directly with Depository?

No. A demat account cannot be opened directly with depository. It has to be opened only through a DP of depository.

2. How do I open a StockHolding Demat and Trading Account?

Contact nearest StockHolding branch or Call on 022-61778500

3. Why StockHolding?

One of the leading Depository Participant across NSDL/CDSL

4. Who can open a Demat & Trading Account with StockHolding?

All resident Indians, NRIs, Body Corporate, OCB, Banks, Partnership and Proprietor Firm

5. What documents are required to open a Demat & Trading Account?

Account Opening Form along with KYC documents, Bank Proof and Photograph

6. How will I know once my Demat and Trading Account has been opened?

Via e-mail and SMS with your Demat and Trading Account details.

7. What are the Charges for my Demat and Trading Account?

For attractive tariff please contact the nearest StockHolding Branch.

8. Do I need an email address in order to open an account with StockHolding?

Yes, you do require an email ID for opening a Demat account. Having an email ID is an additional advantage as you can get transaction details Online.

9. How to check my online Demat account?

Once the Demat account application is approved, the account holder receives a client ID and password

10. What are the major objectives of a Demat account?

The main objective of holding a Demat account is to keep securities in an electronic form instead of the physical form.

11. What is Rematerialization (remat)?

Rematerialization is the process of converting securities held in electronic form in a demat account back in physical certificate form.

12. Is it compulsory for every investor to open a BO account to trade in the capital market?

In view of the convenience of trading in dematerialised mode, it is advisable to have a Demat account for trading at the exchanges.

13. Can a demat account be opened in the name of Joint Holders?

Yes. A demat account can be opened in maximum three account holders

14. Is nomination compulsory for a demat account?

It is always advisable to have nomination in your demat account.

15. Can multiple accounts be opened by an investor?

Yes. An investor can have multiple demat accounts with DP

16. What are all charges an investor has to pay for opening and maintenance of a BO account?

Dematerialisation and Rematerialisation of their securities

Annual account maintenance charges

Transactions fees (only for sell transactions) and charges as specified by DP

17. How can I change my address?

By submitting Proof of Address to the DP

18. Do I need to keep any minimum balance of securities in my demat account?

No.

19. Is it necessary to have account with the same DP as broker has?

No. Investor can choose any DP as per his / her convenience or choice and carry on trading activity through broker of his / her choice, irrespective of the DP of broker.

20. Can I operate a joint account on "either or survivor" basis just like a bank account?

No. The demat account cannot be operated on "either or survivor" basis like the bank account.

21. Can someone else operate the account on behalf of the BO on the basis of a power of attorney (POA)?

Yes. If the BO authorises any person to operate the account by executing a POA and submit it to the DP

22. Will I receive an intimation of any transaction be given for POA operated accounts?

Subscription of SMS alerts for the depository accounts operated through POA is mandatory

23. Is addition or deletion of names of BO account holders permitted after opening the account?

No. The names of the account holders of a BO account cannot be changed.

24. Is change in the names of BO accounts permitted after opening the account?

Yes. An individual BO may change his/ her name in the event of marriage, change in father's name or any other reasons by submitting the requisite documents

25. Can I close my demat account with one DP and transfer all securities to another account with another DP?

Yes. The investor can submit account closure request to his DP in the prescribed form.

26. What if there are any discrepancies in the statement of holdings?

In case of any discrepancy in the statement of holdings, contact StockHolding immediately

27. Can I freeze my account(s)?

Yes You can freeze your account and/or ISIN and/or specific number of securities under an ISIN for any given period of time

28. Why should I give my bank account details

Bank account details are necessary for the protection of interest of demat account holder and credit of money on account of Corporate Action

29. Can I change the details in bank account?

Yes. However, appropriate documents to be provided to StockHolding

30. What type of instruments are available for demat?

All types of equity/ debt instruments viz. equity shares, preference Shares, partly paid shares, bonds, debentures, commercial papers, certificates of deposit, government securities (G-SEC) etc.

31.. Is dematerialization of securities compulsory?

According to the Depositories Act, 1996, an investor has the option to hold securities either in physical or electronic form. Part of holding can be in physical form and part in demat form. However, SEBI has notified that settlement of market trades in listed securities should take place only in the demat mode.

32. Is there any charge for dematerialization of physical certificates?

Same would be as per charge structure as signed by you at the time of opening of account

32. How can one convert physical holding into electronic holding i.e. how can one dematerialise securities?

In order to dematerialise physical securities one has to fill in a DRF (Demat Request Form) and submit the same along with physical certificates

34. Can odd lot shares be dematerialised?

Yes, odd lot share certificates can also be dematerialised.

35. What is an ISIN?

ISIN (International Securities Identification Number) is a unique 12 digit alpha-numeric identification number allotted for a security.

36. Whether different securities issued by the same issuer will have same ISIN?

No, different securities issued by the same issuer will have different ISIN code

37. Do dematerialised shares have distinctive numbers?

Dematerialised shares do not have any distinctive numbers. These shares are fungible,

38. What is the procedure for selling dematerialised securities?

The procedure for buying and selling dematerialised securities is similar to the procedure for buying and selling of physical securities.

39. What 'Standing Instruction' is given in the account opening form?

The same is receive automatic credit in the demat account.

40. What is Delivery Instruction Slip (DIS)?

To give the delivery one has to fill a form called Delivery Instruction Slip (DIS). DIS may be compared to cheque book of a bank account.

41. Is it possible to give delivery instructions to the you Online?

Yes.

42. Is it possible to get securities allotted in public offering directly in the electronic form?

Yes, it is possible to get securities allotted to in Public Offerings directly in the electronic form.

43. Can one pledge the dematerialised securities?

Yes. Pledging dematerialised securities is easier and more advantageous as compared to pledging physical securities.

44. What should I do to pledge electronic securities?

Contact your DP ie StockHolding

45. What is the procedure for closure of pledge after repayment of loan?  
After the repayment of loan, pledgor can request for a closure of pledge by instructing the DP in a prescribed format.

46. Can pledgor (investor) change the securities offered in a pledge?  
Yes, if the pledgee (lender) agrees, pledgor (investor) may change the securities offered in a pledge.

47. Who will receive the corporate benefits on the pledged securities?  
The securities pledged are only blocked in the account of pledgor (investor) in favour of the pledgee (lender). The pledgor would continue to receive all the corporate benefits.

48. How do I know that my account is updated after each transaction?  
StockHolding provides a Transaction Statement periodically, which gives details of current balances and transaction details.

49. Can I nominate?  
Nomination can be made by individuals holding beneficial accounts either singly or jointly. Non-individuals including society, trust, body corporate, Karta of HUF, holder of POA cannot nominate.

50. Who can be a nominee?  
Only an individual can be a nominee. A nominee shall not be a society, trust, body corporate, partnership firm, Karta of HUF or a POA holder.

51. Why is it important to nominate?  
Nomination is helpful in smooth transmission of shares upon the death of the BO/s. The nomination once made can be changed at a later date as desired by the BO/s.

52. What is transmission of dematerialised securities?  
Transmission is the process by which securities of a deceased account holder are transferred to the account of his legal heirs

53. In the event of death of the sole holder, how can my successors claim the securities lying in the demat account?  
The claimant should submit an application i.e. Transmission Request Form (TRF) along with the supporting documents

54. If I hold an account with NSDL/CDSL, can I receive securities from an account in CDSL/NSDL?  
Yes. Inter depository transfers are possible.

55. [What is a Basic Services Demat Account \(BSDA\)?](#)  
BSDA is like a regular demat account but with no or low annual maintenance charges

56. Can I get the refund of AMC when I close my BO account?  
Yes for the balance quarter of the AMC period

57. What is a trading account?

A trading account is an interface that allows buying and selling of shares.

58. Can we open trading account in joint name?

No, Trading Account cannot be opened in joint name.

59. How many trading account client can open?

Client can open only one trading account with one broker as per SEBI/Exchange guidelines on Unique Client Code.

60. Is it mandatory to provide copy of PAN card for Demat and Trading?

Yes.

61. Should the client be first holder in Demat Account, Bank Account and the proof of address submitted?

Yes.

62. What are the requirements in case I provide ac/o address?

Provide duly verified additional address proof or permanent address proof.

63. Could we accept address proof in regional language?

Yes. We can accept the address proof in regional language. However, address provided in local language not translated in English with the official seal and signature the KYC will be rejected.

64. What are the requirements of POA?

All the holders have to sign the POA. All the pages of POA should be notarized

65. What would be the brokerage applicable?

There are different brokerage schemes offered

66. Is Investment information mandatory?

Yes.

67. For NRI clients is Indian address mandatory?

Yes.

68. Can I Reactivate my trading a/c in case closed earlier?

Yes. You can reactivate the trading account with same UCC no.

69. Can I Buy and Sell Online?

Yes you can Buy or sell shares either on the phone or online

70. .When will my purchase be settled?

Delivery based transaction are settled on T+2 day

71. How interest and brokerage will be charged to my account?

As per the agreed Brokerage signed at the time of opening of account

70. When will I receive the contract note?

Contract note will be sent to you within 24 hrs of the settlement date.

72 Can I participate in Buy Back

Yes

73. Can I modify /cancel the orders?

Yes, you can modify orders till not executed

74. What are the various types of financial markets?

The financial markets can broadly be divided into money and capital market.

75. What is the difference between the primary market and the secondary market?

In the primary market, securities are offered to public for subscription for the purpose of raising capital or fund. Secondary market is an equity trading avenue in which already existing/pre- issued securities are traded amongst investors.

76. Am I required to sign any agreement with the broker?

Yes. For the purpose of engaging a broker to execute trades on your behalf from time to time

77. What is meant by Unique Client Code?

It is unique client code linked to the your PAN details

78. What is STT?

Securities Transaction Tax (STT) is a tax being levied on all transactions done on the stock exchanges

79. What is a Rolling Settlement?

In a Rolling Settlement, trades executed during the day are settled based on the net obligations for the day.

80. What is my pay-in day and pay- out day?

Currently it is T+2 for rolling settlement basis

81. In case of sale of shares, when should I give my shares to you?

The delivery of shares has to be done prior to the pay in date for the relevant settlement

82. What is an Auction?

The Exchange purchases the requisite quantity in the Auction Market and gives them to the buying trading member. The shortages are met through auction process and the difference in price indicated in contract note and price received through auction is paid by member to the Exchange, which is then liable to be recovered from the client.

83. What is Margin Trading Facility?

Margin Trading is trading with borrowed funds/securities. It is essentially a leveraging mechanism.

84. What is day trading?

Day trading refers to buying and selling of securities within the same trading day such that all positions will be closed before the market close of the trading day.

85. What is Trade for Trade Segment?

In a Trade for Trade segment, settlement of trades is done on the basis of gross obligations for the day. No netting is allowed and every trade is being settled separately.

86. What should I do to activate SMS/Email based trade alerts?

Ensure that the email/mobile number (Indian Mobile number only) is updated.

87. How my limits for trading will be calculated while using Margin Trading facility?

For Margin Trading Facility, maximum exposure would be twice the amount of clear Cash Balance available. However, all other types of Exposures will be withdrawn.

88. Can I sell the shares as 'Normal', earlier bought under Margin Trading but now fully paid & held in my Demat A/c as free stocks ?

Yes, in this case, shares bought under Margin Trading can be sold as 'Normal'.

89. Can I square off the transactions under 'Margin Trading'?

Yes, you can square off the securities bought & still held by your Broker under 'Margin Trading'.

90. Can I buy Non Margin Trading shares, even if I am registered for Margin Trading?

Yes. After registering for Margin Trading, You can buy Non Margin Trading Shares but they will not be eligible for any kind of facility under Margin Trading.

91 Can I trade in Derivatives, even if I am registered for Margin Trading?

You can trade in derivatives segment, through SHCIL Services Ltd but trades under Derivatives are not eligible for Margin Trading.



92. Can I provide stocks as security for availing limits in Available Cash Balance for trading under Margin Trading?

No. Stocks cannot be provided as security for availing limits for Margin Trading. Only cash margin is allowed and hence, client will have to transfer funds to avail this facility.

93 Do I require separate limit to square off the position taken under 'Margin Trading'? .

No.

94 What will happen to the limits in case of profits or the losses after the position is squared off on same day or on different days?

In case of profits, funds (profit amount) will be available for trading after the due payin / payout. In case of losses, limits will get reduced immediately and further positions can be created according to limits available.

95 Can I use Margin Trading for Derivatives trading?

No. Margin Trading facility is available only for Cash segment.

96 . Can I use same Available Cash Balance for trading in Non Margin Trading stocks, Derivatives and Margin trading stocks?

Yes. Same Available Cash Balance can be used for trading in anyone of the segments, but limits available would be as per multiples applicable

97. DP charges applicable, while using Margin Trading facility?

Yes, DP charges will be applicable as per the normal schedule.

98. Can I trade on BSE and NSE?

If registered yes

99. Can I avail of service from any StockHolding branch?

Yes

100 .What recourses are available to me for redressing my grievances?

You can contact our customer care team on [customercare@stockHolding.com](mailto:customercare@stockHolding.com)