Process for offline Demat account opening

Purpose:

1. To receive Account Opening form from resident individuals and HUF, Corporate and NRI clients from branches, at CCR Desk Head Office .
2. Accept /reject the forms after scrutiny.
3. Activate the account by updating the client's profile.

Scope:

This documented process is applicable to registration of new accounts as per the KYC compliance of NSDL, CDSL, NSE, BSE & SEBI.

PROCESS 1 – ACCOUNT OPENING FORMS RECEIVED FROM CLIENTS/BRANCHES/ BUSINESS ASSOCIATES:

a. The account opening forms called "Individual / Non-Individual Client Relationship form" (CRF) are received from clients/branches/BAs for opening of a new account
b. Individual CRF is a printed and serially numbered form whereas the Non-Individual CRF is numbered serially by CCR Team for identification.
c. Application form can also be downloaded from downloads from IDBI Capital website. This will not be numbered and will be subsequently done by HO on receipt of forms.
d. The required documents including the account opening form is checked by the respective Branch/HO official.
e. All the requirements are compiled at the Branch/HO end in order to avoid delay in opening of an account.

PROCESS 2 – INWARD ENTRY:

i) In case of Branch/BA, the account opening forms are entered by Branch Official / Business Associates (BA) in the Pre-Registration system. https://branchoffice.idbicapital.com. These forms are then forwarded by the Branches to CCR / CPU for account opening. However, it is important for Branches to update Dispatch details in the said System to enable CCR Team to view the received form for processing and update further status in TCS SP.

This system enables the branches / BA to know the status of the form from its inward till opening of an account.

In case of physical forms received at HO directly, the aforesaid activities are done by the CCR team.

PROCESS 3 – FORMS RECEIVED BY CCR/CPU

On receipt of forms in case of inward entry done by branch/BA, the Status of forms in TCS SP is changed as "RECEIVED AT HO"" as per steps given below;

- Go to TCS SP – Master / Client master / Retail - Application work flow.
- Insert Form Number Select and update status

The final scrutiny of all the forms will be done by CCR / CPU Team.

PROCESS 4 – SCRUTINY / REJECTION OF FORMS:

The Account Opening form is required to be thoroughly scrutinized by CCR / CPU. On receipt, the forms are scrutinized physically as also entered in Scrutiny module of the system utility.

The scrutiny of Account Opening Form begins with PMLA monitoring. CCR Official will verify the PAN of the client with AML software installed for the said purpose as under;

- Verifies the pan number on NDML for KRA status weather compiled or non-compiled.
- Verifies the pan number & client name on TSS Go To TSS / AML/AML watch list & Attach Print.
- Check name on http://www.un.org/sc/committees/1988/pdf/1988.pdf

The guidelines and steps for scrutinizing the Account Opening form (AOF) are given below:
Guidelines for Physical scrutiny / Requirements of documents

SR.No.	Particulars / Documents	Guidelines
1	Verification of AOF and attached Documents against the Original	The Official collecting the AOF shall verify the AOF and cross-check the copies of all the documents received from the client against the **Originals** and shall confirm the same with rubber stamp "Verified with Originals", signature and employee code**.** The branch/ CCR official must ensure the following ; ➢ DP / POA / DDPI Agreement are signed by both the member and the client and are witnessed. ➢ In respect of clients introduced by sub-broker, tripartite agreement is executed ➢ Client acknowledges the risk disclosure document and is aware that certain basic risks are involved in trading in equity and derivative products. ➢ Conduct In person verification for all clients.
2	Photographs	➢ One recent passport size photograph–for 1st Holder ➢ One recent passport size photograph–for all other Holders ➢ One recent passport size photograph of Nominee, if any (Trading / Demat account). ➢ One recent passport size photograph of Guardian, if nominee is minor (Trading / Demat account).
3	PAN Card	➢ Copy of PAN Card is compulsory/mandatory for all Demat as well as trading account holders. ➢ The photograph shall be clearly visible in the copy. The name of the client mentioned in PAN Website shall be the same as written in the form. The pan details

		mentioned in the AOF's should be verified from the official website of Income Tax dept.
4	Proof of Identity	Copy of any one of the following documents is acceptable as proof of identity : ➢ Valid Passport-Photo page, Validity page & Address page ➢ Voter ID Card– Copy of both the sides ➢ Valid Driving license – Photo page, Address page & Validity page ➢ PAN Card – Both the sides (Mandatory) ➢ Unique Identification Number (UID) (Aadhaar)Identity Card/document with applicant's Photo, issued by ▪ Central/ State Government and its Departments, ▪ Statutory/Regulatory Authorities, ▪ Public Sector Undertakings, ▪ Scheduled Commercial Banks, ▪ Public Financial Institutions, Colleges affiliated to Universities (this can be treated as valid only till the time the applicant is a student) ▪ Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members ▪ Photo Credit cards/Debit cards issued by Banks (Copy of both the sides).
5.	Proof of Address	Copy of any one of the following documents may be accepted as proof of address (local/correspondence/foreign address as the case may be): ➢ Unique Identification Number (UID) (Aadhaar) Identity Card/document with applicant's Photo, issued by Address proof ➢ Valid Passport-Photo page, Validity page & Address page Voter ID Card - Both the Sides ➢ Valid Driving license - Photo page, Validity page & Address page ▪ The proof of address in the name of the spouse will be accepted with the proof of Marriage Certificate.
6	Financial details of the constituent	Details of Financial proof needs to be verified and tallied as per income slab selected by client. Only in case where FNO segment has been ticked by client in AOF.
7.	Adequacy of information provided in the application form	Confirm that all fields of account opening form are properly filled in by the client as per the instructions mentioned there in. Additionally, to check for the references in the account opening form.

PROCESS 5 – ENTRY OF SCRUTINY IN BACK OFFICE TCS SP:

On scrutinizing the forms as per aforesaid guidelines, CCR will update the same in TCS SP as "Audit OK" (the process for updating "Audit OK" status is given separately).

In case of any objections, CCR Team will co-ordinate with Clients / Branches / BAs for complying with the requirements.

The steps for updating scrutiny status in TCS SP are as under;
Go to TCS SP – Master / Client master / Retail - Application work flow.

- Enter Form-. No.
- Select the correct option – Audit OK / Objection / Rejection (Audit OK is for the forms which are clear in all aspects. Clear is for the forms which are kept on hold for certain requirements i.e. Objections and Rejection is for the rejected forms)

PROCESS 6 – OBJECTIONS/ REJECTIONS FOR ACCOUNT OPENING FORMS:

The Account of a client is opened within 6 working days from the date of receipt of the Account Opening Form at CPU / CCR.

On scrutiny of the account opening forms, there are cases where client's signature is required in the AOF itself and hence these forms are rejected. These rejected forms are returned to Clients/Branches/BA by CCR along with reason for rejection. On rectification, Branch/BA will re-inward this form and process the same as a new form.

However, during scrutiny, some account opening forms are kept pending due to cheque realization, requirement of cancelled cheque, email id, mobile account number or submission of unclear copies / documents not submitted along with the AOF. Such AOFs are kept on hold as objection for 7 working days and the information is updated in TCS SP.

On receipt of the documents, the same are scrutinized and the AOF is further processed. In case of non-submission of proper documents within 7 days, the AOF is returned by CCR to respective Client/Branch/BA along with the reason for rejection.