



Open Futures (Group) Member-NSE/BSE/MCX

(Account Opening Process, Documents and Charges)

What is a Trading Account?

A normal operation in the stock market starts when you invest in the market. For a start, when you buy shares with a market value, the shares bought by you get transferred to your demat account to be securely deposited; the transfer of shares is possible through your trading account. And at the time of selling shares from your demat account to the stock market, the trading account will be the medium where the transfer and amount of your shares will be settled in your bank account. A trading account links the demat account, bank account, and the stock market. If you want to trade in the share market, it is important to open a trading account.

Open Futures Account Opening Charges 2023

Open Futures account opening charges are Rs 200 for a trading account

Services	Charges
Trading Account Opening Charges	Rs 200
Account AMC Charges	Rs 0 (Free)
Intraday Trade	0.05% of Turnover
Equity Delivery	0.5% of Turnover
Equity Delivery Futures	0.05% of Turnover
Equity Delivery Option	0.05% of Turnover
Call & Trade Services	Nil charges

Open Futures is India based stock broker. Open Futures offers online stock and commodity trading to retail customers. Since its inception in Aug 2009, Open Futures has grown significantly.

You need to know about what some of the trading charges meant. You can understand them by the following detail mentioned below:

Security Transaction Tax (STT): STT tax is charged on both buying and selling of equity delivery, and selling of intraday equity, futures and options trading. It's a direct tax applied to every security exchange in the stock market.

Transaction/ Turnover Charges: It refers to the charges levied by different exchanges to settle your trade. You can also call it the trade clearing charge from the stock exchange.

Call and Trade: This call and trade charge applies to the trader who trades with the help of an advisor who also undertakes the trade according to the investor's will. Charges for this trade apply to each order.

Stamp Charges: Previously, according to the stamp duty act of 1899, every instrument transacted had to pay the stamp charges in different states. But now, from July 2020, the government decided to replace the current system with the new uniform stamp duty charges on each financial instrument.

GST: A GST charge is around 18% of taxes applied on brokerage on your transaction charges.

Square-off charges: These are the charges when you can square off your open position on intraday trade. These charges can vary from different brokers.

SEBI Charges: These charges depend upon your securities transaction. SEBI is regulatory for the stock market.

DP charges: The depository participant charges start at ₹20 along with GST applied per scrip irrespective of volume at the time of selling the stock from the demat account. This charge is collected by the depository participant.

Annual Maintenance Charges (AMC): AMC refers to the yearly maintenance charge for your trading account. Many brokers offer demat accounts and trading accounts clubbed AMC to lower the cost of overall trading.

Open Futures Account ****Online / Offline**

To trade (in stock, commodity or currency) or to invest (in stocks, mutual funds) with Open Futures, a customer has to open a trading account and a client should have demat account. The demat account is not mandatory for customer planning to trade only in derivatives.

Open Futures offers 2 types of trading accounts:

- Trading account for equity and currency derivatives.
- Commodity account to trade commodity futures on MCX.
One customer account has access to all the segments, but each segment has to enable separately at the time of account opening or at later point of time.

****Currently Open Futures (Group) is not providing "Online" Services.**

Pre-requisites for buying/ selling shares in Securities market

Savings Bank Account

- Savings Account can be in any bank
- Transfer/ receipt of funds from buying/ selling of securities

Accounts needed to trade in securities market

Trading Account

- With SEBI registered StockBroker (Trading Member/ TM)
- To buy/ sell securities

Demat Account

- With a SEBI registered Depository Participant (DP)
 - To hold shares in Demat (electronic) mode
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Forms to be Filled to open a new Trading & **Demat Account

**Please Note: Open Futures is not a depository participant.

To open trading account with **M/s Open Futures**, client would need the follow the below given Procedure:-

- The investor need to fill form for Opening of Trading Account.
Know Your Client (KYC) Form: To provide basic information of the new investor. Two mode of KYC are:
 - Physical KYC
 - e-KYC (Online KYC) (*Currently Open Futures is not providing online KYC services*)

1. Account Opening Form: Details of various services and charges being applied on the new investor.

Documents Required to open Trading Account with Open Fututues

<u>PROOF OF IDENTITY</u>	<u>PROOF OF ADDRESS</u>
<ul style="list-style-type: none">➤ Permanent Account Number (PAN) Card – Mandatory➤ Voter ID Card➤ Driving Licence➤ Passport➤ Aadhar Card➤ Any Other valid identity card issued by Central or State Government	<ul style="list-style-type: none">➤ Voter ID Card➤ Driving Licence➤ Passport➤ Ration Card➤ Aadhar Card➤ Bank account statement or Bank Passbook➤ Utility bills, e.g. electricity or gas bill.

- PAN Card: Mandatory Document & also Proof of Identity.
 - Same document like Driving License/ Passport.
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Proof of Income (For Investors who chose to trade in <u>Derivatives –F&O/Commodities</u> / <u>Currency</u>)	Proof of Client Bank Account (any one)
Bank account statement for last 6 months	Cancelled Cheque (with name of investor above sign here section)
Latest Salary Slips/ Form 16 in case of salaried person	Bank Passbook {with Indian Financial System Code (IFSC)}
Copy of ITR Acknowledgement	
Passport	
Copy of Net-worth Certificate issued by a Chartered Accountant	
Statement of Demat holdings	

➤ If investor is unable to produce the originals of these documents for verification, he may submit self-attested photocopies

Officially Valid Documents (OVD)

S.No.	Officially Valid Documents (OVD)
1.	Passport
2.	Driving License
3.	Proof of possession of Aadhaar Number
4.	Voter's Identity Card
5.	Job card issued by MGNREGA duly signed by an officer of the State Government
6.	Letter issued by the National Population Register containing details of name, address
7.	Any other document as notified by the Central Government in consultation with SEBI

- In case OVD furnished by the investor does not contain updated address, then certain deemed OVDs (like Electricity Bill, Property Tax receipt, etc.) for the limited purpose of proof of address may be submitted.
 - If OVD furnished by the investor does not contain updated address, then following documents/ equivalent e-documents shall be deemed to be OVDs (only as proof of address):
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S. No.	Deemed Officially Valid Documents (OVD)
1.	Utility Bill , not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill)
2.	Property or Municipal tax receipt
3.	Pension or family pension payment orders (PPOs), if they contain the address
4.	Letter of allotment of accommodation from employer issued by Government departments, statutory or regulatory bodies, PSUs, etc.

➤ Investors submitting Investors submitting above mentioned documents as proof of address shall submit OVD with current address within a period of 3 months of submitting the above documents.

1. Copy of your PAN card
 2. Aadhar (Mandatory for opening an account online)
 3. Cancelled cheque or latest Bank statement
 4. Photo or scanned copy of your signature
 5. Income proof - For trading in Futures and options. You can submit 6-month Bank statement, Latest salary slips, Form-16, Income Tax Return Acknowledgment, Demat holding statement, or Networth certificate from a CA.
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Documents in Account Opening Forms - Trading Account

MANDATORY DOCUMENTS

- Rights & Obligations of Stock Broker and Investor.
- Uniform Risk Disclosure Documents.
- Do's and Don'ts for trading on Exchanges.
- Policies and Procedures of Stock Broker.
- Tariff Sheet.

VOLUNTARY DOCUMENTS**

- Running Account Authorization.
- Power of Attorney (PoA).
- Electronic Contract Note (ECN) Declaration.
- Consent for electronic communication and receiving alerts (Email/SMS)

** (to be submitted only if investor is availing of additional services)

Fields that are to be filled in the account opening form

1. Type of account (Ordinary, NRI, NRI-Non-Repatriable or HUF)
 2. Account holder information (name, address, telephone no., email id etc.)
 3. Second holder details
 4. Guardian details
 5. Extra information for NRIs (foreign address, RBI reference no. and RBI reference date)
 6. Bank details (Account no. , account holder's name etc.)
 7. Financial details (PAN no. , district or ward no.)
 8. Photograph
 9. Declaration (Holder's name and signature)
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Open Futures account opening time.

Open Futures account opening time after applying offline application, it takes 2 days to process the application.

Open Futures Account Opening Status

Open Futures takes 2 working days to open the account after they receive the signed account opening forms. The customer receives an email confirmation after the account is opened.

If you do not receive a welcome email after 2 days, please give a call to Open Futures support team and they can tell you the status of account opening.

Open Futures Account Opening Form PDF

Open Futures Account Opening Form PDF is available for download on its website. Here are the steps to download Open Futures Account Opening Form PDF-

1. Visit Open Futures's website at openfutures.co.in
2. Click <https://openfutures.co.in/#>
3. In the Member Area Section, we have separate forms- One of (**Open Futures's**) to trade in equity, futures and options on NSE, BSE and commodity on MCX and other one for (**Open Futures & Commodities Pvt. Ltd.**) to trade in the Commodity on the MCX platform. Download the specific form as per your trading preference.

Open Futures Account Closure

The **Open Futures** trading account get deactivated if you do not use them for one year. This dormant trading account can be activated by calling Open Futures.

If you are a client of Open Futures and not using the account anymore or moved to another broker, it is recommended to close the account with **Open Futures**. It also reduces the chance of misusing the account by someone else.

Open Futures customer may close the accounts with Open Futures at any point of time. The only way to close the account with Open Futures is to submit an application for Account Closure. Accounts can be closed online or by contacting customer support. The application form can be downloaded from the Open Futures's website. Customer can fill the form, sign it and courier it to the Open Futures's registered office.

Closing your account offline

1. Print and fill the account closure form, which is available on the company website.

Send it to the following address (via post, registered post, speed post or courier):

Open Futures,
401,Chiranjiv Tower,
43 .Nehru Place, New Delhi-110019
Tel.: 011-46662029

Your account closure will be processed within 5-7 working days.

Note:

- It may take up to 2 working days to close the account. Customers receive an email notification with the status updates on the account closing procedure.
 - Clear all the dues before closing the account.
 - Transfer all your securities from the Open Futures demat account to your other demat account.
 - Open Futures do not charge anything for account closure.
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Steps to take if your broker is not closing your Trading Account

Brokers are normally hungry for clients and no broker wants to lose clients. Hence most brokers will try and dissuade you from closing your trading account. However, in case you have decided not to continue, the broker has no choice but to process your closure request, subject to there being no dues on the account. However, if the broker still finds reasons to not close your trading account, here is what you can do:-

- As a first step, write to the broking head with documentary proofs and account status details. Normally, at this stage, the request will be processed within a week if all else is clear.
- As a second step, you can escalate the issue of non-closure of the trading account to the CEO and authorized Compliance Officer of the broking house. Mention the trail and the fact that you have escalated to the broking head. Take acknowledgments of all such submissions. Compliance officers must report complaints and non-resolutions to the stock exchange and SEBI regularly. Cases rarely cross this stage in most cases.
- The next step is regulatory escalation if no progress after writing to the broking head, compliance officer, and the CEO. Normally, if the dispute is regarding the Demat issue, escalate to NSDL or CDSL. If the issue pertains to the trading account, escalate to NSE / BSE.
- If at this stage, you still don't find any progress, you can file an official complaint with the SEBI SCORE system and note down the reference number. This should be a last resort if the broker is still not closing your account despite reminders from the depository and the exchange. SCORE system is online and is available on the SEBI website. It also provides an automated audit trail.
- Finally, don't forget to put pressure on social media and various discussion forums. Now there is no guarantee this will work, but companies are becoming increasingly conscious of their social media presence, so it helps to build public opinion quickly and in an economical way. You can use forums like Twitter handles, Facebook pages, LinkedIn groups.

Rights of a New Investor

- A client should receive a copy of the signed KYC within 7 days.
 - Select type of account (Running Account / Bill to Bill).
 - Decide on the Stock Exchange and Segment in which you want to trade.
 - Decide in the shares/ derivatives/ mutual funds where you want to trade.
 - To receive user id and password and other credentials of the account, in cases where you have opted for Online trading.
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