

A Step-by-Step Guide to Demat Accounts for People with Disabilities

Opening a demat account can be a significant step towards financial independence. However, the process might seem challenging for differently abled individuals. This article provides a detailed guide to help them easily navigate the procedure, adhering to the SEBI (Securities and Exchange Board of India) guidelines.

Process to open a demat account for differently abled individuals

Differently abled individuals can open a demat account by following a set of specific procedures. The account opening form needs to be filled out accurately, to ensure that all details match the supporting documents. It is crucial to remember that the form should not contain any corrections made with white ink; any corrections must be countersigned.

Account opening criteria for visually impaired/with cognitive disability

For individuals who are visually impaired or suffer from cognitive disabilities, the demat account opening process includes some extra precautions. The individual must physically visit the depository participant (DP) to open the account. They need to produce a medical certificate that confirms their disability. This certificate is essential to ensure that the DP can provide the necessary accommodations.

Moreover, the DP will verify the photograph submitted by the individual, and if the person is blind or visually impaired, the DP will read out the terms and conditions of the account opening form and the Rights and Obligations document. This process ensures that the individual fully understands the commitments they are making. They will also affix their thumb on the form in the presence of an authorised officer, who will certify that the thumb impression was affixed in their presence.

Procedure for those with autism, cerebral palsy, or a mental condition

Opening a demat account for individuals with autism, cerebral palsy, or other mental conditions may require the involvement of a guardian or an authorised representative. The guardian must provide their identity and address proofs, along with a medical certificate that validates the condition of the differently abled person.

In such cases, the guardian will be responsible for operating the account. They need to ensure that all necessary documents, including the PAN card and address proof of both the differently abled individual and the guardian, are submitted. They must also sign the account opening form and provide a photograph.

Operation of demat accounts

Once the demat account is opened, its operation follows standard procedures. However, certain accommodations are made for differently abled individuals to ensure ease of access and security. For instance, the account holder can opt to receive the Delivery Instruction Slip (DIS) booklet either at the time of account opening or at a later date by submitting an 'Option Form for issue of DIS booklet'. If the DIS booklet is requested later, a signed request letter from all account holders must be submitted.

The account holder can also operate the account through an online trading account by executing a Power of Attorney (POA) or Delivery Instruction Slip (DIS) in favour of the portfolio manager. This flexibility allows for smoother transactions and better portfolio management.

Required documents for different types of entities

HUF	PAN card of HUF, Address proof, Bank statement, Passbook, Karta documents, Additional documents like photographs and deed of declaration
Body Corporate	PAN card of entity, Address proof, Bank statement, Pre-printed cancelled cheque, Balance sheets, Shareholding pattern, UBO declaration, Photographs and IDs of directors and signatories, Memorandum and Articles of Association, Board resolution

Key pointers and takeaways

Opening a demat account is important to explore different investment avenues like shares and stocks. While the process is simple and requires a few documents for verification, there are more steps involved for someone who is differently abled to ensure the safety and security of their account.

Some additional precautionary steps include ensuring all corrections are countersigned, and no white ink is used on the form, furnishing a medical certificate to validate the disability, reading the terms and conditions aloud for visually impaired individuals, and verifying the documents of the guardian if they intend to operate the account on the individual's behalf.

Following the outlined procedures and providing the necessary documentation will help differently abled individuals successfully open and operate a demat account, paving the way for greater financial independence and inclusion.