

Online Closure of Trading / Demat Accounts

Online Submission: Click the following link to submit request through Online

<https://backoffice.msbitrade.com:9090/ReKYC/videoL?p1=7Ebhb8QRt%2BEGywSvBflmww%3D%3D>

**Send Email Through your registered Email Id to
"kychelp@msbitrade.com"**

Offline Mode: Physically Closing request to KYC/DP
department of MSB e-Trade.

→ Guidelines for Closure of Trading Account

1. Client shall be entitled to close the trading account through online mode without giving any reasons to the trading member. Clients shall not be restricted from requesting, through online mode or offline mode, for the closure of trading account maintained with a member, subject to the compliance requirements as stipulated by SEBI / Stock Exchange from time to time.
2. Online request for closing of trading accounts shall be made available for the clients who have opened their accounts offline or online, by those trading members which provide facility of opening account online and provide various services to their clients in online mode. Those trading members that do not provide any services online and do not open accounts online may not be required to offer online closure of trading accounts.
3. In case of trading account, the client can request for account closure through web portal / app of the trading member through secured access with 2 factor authentication or by sending the trading account closure request on email through his/her/its registered email ID. The closure request received through SMS, other messaging apps, etc. shall not be entertained by the trading member.
4. Once the application for closure of trading account is received, the member shall provide acknowledgement to the client on registered email id and / or mobile number about the receipt of closure request and shall not permit any further requests for execution of trades by the client.
5. Trading account can be closed only if the client doesn't have a negative account balance and / or client do not have any open position and there are no pending arbitration matters / orders prohibiting the release of the client funds & securities at the time of account closure request. In case the client has debit balance (after considering balance across Stock Exchanges) or open positions and applies for closure of trading account, the member shall send a written response to client asking him to clear the debit balance / open positions prior to initiating the process for closure of broking account.
6. On closure request, the member shall return funds and release all collateral and pledged securities back to the clients and close the trading account within 3 working days, subject to conditions mentioned in paragraph 5 above. Client needs to ensure that there are no securities / commodities available in the trading member's demat account at the time of account closure request.
7. If the member authorises the request received, the trading account will get closed. Once the trading account is closed, thereafter trading member shall inform the same to the client and update the client status in the UCC database of the Stock Exchange as inactive / deleted, as applicable and thereafter the member is not required to report details of such client in segregation and monitoring of collateral at client level reporting.
8. If the member rejects the client request for online closure of trading account received, the member shall mention the reason for such rejection and communicate the same to the client.
9. Members shall ensure that the applications are processed as per the timelines mentioned above. Trading Member shall maintain and store system logs of the closure instructions received in electronic form in a secured manner and the same shall be subject to 100% internal audit.
10. Notwithstanding any such closure of trading account, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the closure of trading account shall continue to subsist and vest in / be binding on the respective parties or his / its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
11. Exchanges shall continue its complaint redressal mechanism for dealing with complaints related to online closure of trading accounts

→ Guidelines for Closure of Demat Account

1. Client shall be entitled to close the demat account through online mode without mandatorily giving any reasons to the depository participant (DP). Clients shall not be restricted from requesting, through online mode or offline mode, for the closure of demat account maintained with the DP, subject to the compliance requirements as stipulated by SEBI / Depository from time to time.
2. Online closure of demat accounts shall be made available for the clients who have opened their accounts offline or online, by the DPs that provide various Depository related services in online mode. Those DPs which do not provide any services online and do not open accounts online may not be required to offer online closure of demat accounts.
3. Account closure for account with balance shall be done only through web portal / app of DP through secured access by way of client specific user ID and password (in case of internet clients) and the request send through emails, SMS, other messaging apps, etc. shall not be entertained by the DP. As the KYC process requires e-sign post which demat accounts can be opened by the DP, for online closure of accounts with balance also, client shall be required to e-sign the form (using Aadhaar based online electronic signature service) to be verified by the DP in accordance with guidelines as stipulated by SEBI / Depositories from time to time.
4. In case of clients having demat accounts with nil balances can be closed by the DPs on the basis of emails received from the registered email ID of the demat account holder.
5. Once the application for closure of demat account is received, the DP shall intimate to the client on registered email id and / or mobile number (on both if available) about the receipt of closure request. A confirmation regarding the request made shall be sought from the client by way of OTP sent on the email id and / or mobile number updated in its source account (to be closed account).
6. The request for demat account closure shall include target account details (in case of request for closure of demat account having security balances is made) where the client intends to shift the securities.
7. Client would have to upload the scan / photograph of his / her signature alongwith Client Master Report (CMR) of the target account digitally signed by official of the target DP (CMR applicable in case of account having security balances). Filled Account Closure form alongwith **Issued in the "Interest of Investor"** uploaded ink-signature of the client and CMR as uploaded, would be displayed in one single file to the client, subsequent to which, client shall then be required to e-sign the form (using Aadhaar based online electronic signature service) alongwith the documents and submit the same for further processing. The requirement of obtaining a CMR will be exempted if the DP is able to verify the target demat account details (i.e. sole holder's name and PAN should match perfectly) directly from the Depository electronically.
8. If the DP authorises the request received, the account will get closed in the Depository system. If the DP rejects the client requests received, the DP shall inform the reason for such rejection to the client.
9. In case the target account of the client specified in the account closure form is not its own account i.e. not the same PAN both in source and target accounts, as per the extant requirements, it will be necessary for the client to submit an off-market transfer instruction delivery instruction slip for execution of such transfers along with the requirement of entering OTP as provided by the Depository.
10. After the closure of demat account by the DP, the same shall be intimated to the client through electronic mode enclosing the CMR & Transaction cum Holding Statement of the closed account.
11. DP shall maintain and store system logs of the closure instructions and e-signed electronic requests (uneditable) received in electronic form in a secured manner and the same shall be subject to 100% internal audit.
12. Notwithstanding any such closure of demat account, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the closure of demat account shall continue to subsist and vest in / be binding on the respective parties or his / its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
13. The above process shall be applicable in case of individual client accounts with single holder (without pledge / freeze / pending demat requests balances) and the closure requests accepted through above mechanism shall be considered as a valid client request and DPs / Depository shall not be held liable for acting on such requests.
14. Depositories shall put in place a complaint redressal mechanism for dealing with complaints related to online closure of demat accounts.