

Dos

- **Choose a Reputed Depository Participant (DP):** Choose a SEBI registered broker to open a Demat account.
- **Provide Accurate Information:** Make sure that you provide accurate personal details and documentation when opening a Demat Account to prevent any issues later.
- **Check Your Investments:** Check your transaction statements carefully, and review all credits and debits. If you find any unauthorized or suspicious transactions, contact your Depository Participant or [CDSL/NSDL](#) immediately.
- **Keep Your Info Updated:** Make sure your contact details with your broker, like your phone number and email, are always accurate to get important messages and notifications. If you haven't used your DP account for a while, you can stop any transactions by freezing your account. If you'll be away for a long time or if your address or bank details change you must inform your DP as soon as possible.
- **Nominate Beneficiaries:** It's a good idea to name someone who will get your investments, in case of your demise.
- **Use Online Trading Carefully:** If you're into trading, learn how the share market works and understand the risks involved.
- **Enable Two-Factor Authentication (2FA):** Keep your Demat account safe by using strong and unique passwords and don't share them with anyone. Turn on two-factor authentication (2FA) security, it will provide extra security to your Demat account.
- **DIS Check:** When you receive the DIS (Delivery Instruction Slip) book, make sure that your account number or client ID, as well as serial numbers, are already printed on each slip.
- **Keep track of your portfolio:** You should regularly monitor how your investments are doing in the market. This helps you know if they're making money or losing it. If something consistently going down or up for a while, you can make the right decisions about what to do next.
- **Skip Power of Attorney:** You don't need to give a power of attorney when you apply for an online Demat account. This is important because there have been several instances of power of attorney abuse so it's better to avoid it when setting up your account online.

Don'ts

- Do not forget to dematerialize your shares, this is easy to do. If the broker sends you a reminder, as it is your responsibility, not the broker's.
- Do not invest more than what you can afford to lose, a good rule of thumb is to keep your investment amount at a level that would not impact your lifestyle if it comes to an end.
- Do not invest without proper research or knowledge of a company's fundamentals just because some new investor or adviser is promoting it to you. Invest after a thorough analysis of its financial status, management track record, and prospects.
- Don't invest your money blindly because you saw advice on TV, ads, websites, or received SMS messages. Always do your homework by researching the company's finances, growth potential, and other important factors before investing in stocks, futures, options, or any other securities.
- Do not share your password – In our digital age, it's crucial to be cautious with your online security. Don't share your login details or passwords with anyone, also, never give out your OTP (One-Time Password) to stay safe from fraudsters.
- Always pay attention to emails or SMS messages you get from your broker or the stock exchange about your trades. Double-check these messages by comparing them with your Contract Notes or Account Ledger. If you find any differences, let your broker or the exchange know right away.
- When you're trading or investing, only transfer money to an account belonging to a SEBI-registered broker. This can protect you from potential fraud.

- Avoid Overtrading. Overtrading can lead to substantial losses, so stick to your investment plan and avoid making impulsive decisions.

Conclusion

To reach your financial goals, remember to follow the dos and don'ts. Along with doing your research and being patient. This list is a helpful guide, but you'll also learn more by gaining personal experience as you start investing. So, invest wisely and work towards your long-term financial objectives.