

POLICY ON PRE-FUNDED INSTRUMENTS/ELECTRONIC FUND TRANSFER

With reference to NSE Circular No. NSE/INSP/2011/118 dated June 9, 2011 on the drafted policy on Pre-funded Instrument/Electronic Fund Transfer which has been approved by Board/Management/Key Personnel's is given hereunder:

If the aggregate value of Pre-funded Instruments is Rs. 50,000/- or more from Client per day per Client is being received, the Company has instructed its office bearers to check properly the Pre-funded Instruments/Electronic Fund Transfer received from Clients before depositing the same into Bank.

1. If on checking, the instrument is identified as Pay Order/DD, then a suitable reason/clarification is required to be obtained from the Client.
2. The details of the instrument must be tallied with the detail provided by the Clients in KYC before entering into back office software.
3. In case of mismatch is identified, it should be reported to Department Head/Management/Key Personnel's for taking appropriate action.
4. Clients who make the payment through Pre-fund Instrument will be advised to avoid it or not to use this route by educating them the Exchange and PMLA Rules & Bye-laws in this regard.
5. Payment received through Electronic Fund Transfer have to be properly check with the detail available in Bank Statement like Payee Account No., Payee Name, etc. and in case of non – availability of the detail in Bank Statement then it will be asked from the Client to confirm the payment detail through e-mail or SMS.
6. In addition to above circulars, issued by Exchange from time to time has to be followed for proper Compliance on this matter.
7. Certificate from the issuing Bank on its letterhead or on a plain paper with the seal of the issuing bank.
8. Certified copy of the requisition slip (portion which is retained by the Bank) to issue the instrument.
9. Certified copy of the Passbook/Bank Statement for the account debited to issue the instrument.
10. Authentication of the Bank Account Number debited and Name of the Account Holder by the issuing Bank on the reverse of the instrument. We also maintain an audit trail of the funds received through Electronic Fund Transfers to ensure that the funds are received from their Clients only.