

POLICY FOR ACCEPTANCE OF PRE - FUNDED INSTRUMENTS

As per Company Policy the acceptance of Prefunded Instruments is subject to the rules and regulations of the Regulator and Exchanges from time to time.

01. COVERAGE

- It covers the Head office, all the branches and all the franchisees of the company wherever trading terminals are located.

02. SCOPE

- Acceptance of Prefunded Instruments like Demand Draft / Pay Order / from a client against Payin Obligation / Margin.

03. PROCEDURES

- The Prefunded Instruments shall be accepted only in following special circumstances:
 01. If there are Bank Holidays on the following day.
 02. If the client does not have an account in the bank in which the company has accounts.
 03. If the client wants to create a position immediately and has no other way of transferring funds.
 04. If the Bank account of the client is in a cooperative bank, which may take few days / sometimes for the cheque to be cleared.
 05. If the company Bank accounts clearing branch is not available in the city / village where the client has his bank account.

04. OBJECTIVE

- The Objective of this policy is to minimize the frequency of acceptance of Prefunded Instrument, especially Demand Draft where there is a difficulty in tracking the correct source of issuance.

05. PERMISSIBLE LIMITS

- The Prefunded instruments shall be accepted only in cases mentioned above and not otherwise. Approval for acceptance shall be taken by either of the Executive Directors or the Managing Director and only then credit shall be given and which shall not aggregate to more than ₹ 50,000/- per day.
 - a) If a pre-funded instrument aggregating to ₹ 50,000/- or more is received by us in a day, from a client, it shall be accepted along with a letter from the bank stating that the instrument has been issued from the clients bank account registered with us.
 - b) And the mode of certification may include the following either:
 01. Certificate from the issuing bank on its letterhead or on a plain paper with the seal of the issuing bank.
 02. Certified copy of the requisition slip (portion which is retained by the bank) to issue the instrument.

03. Certified copy of the passbook/bank statement for the account debited to issue the instrument.
04. Authentication of the bank account-number debited and name of the account holder by the issuing bank on the reverse of the instrument.