

Policy on pre funded Instruments and Electronic Fund Transfer

It is a Master Policy of the Company for acceptance of Pre-funded Instruments. This policy is subject to the rules and regulations of SEBI and Exchanges from time to time.

The objective of the policy is to prevent acceptance of third party funds for settlement of dues receivable from Clients and to prescribe processes to deal with instruments issued by any third party as and when received by the Company towards Client dues. As part of our internal control policy, the Company is strictly restricting acceptance of Demand Drafts/Pay Orders/Banker's Cheques or any other third party instrument for receipt of funds from Clients to avoid third party pay-in to Client accounts. In exceptional cases of payments by Demand Drafts/Pay Order/Banker's Cheque, self-declaration from the Client alone is not sufficient. Such funds from the Clients through pre-funded instruments mentioned above shall be accepted only after the following conditions as per SEBI circular no. CIR/MIRSD/03/2011 dated 9th June 2011.

If the aggregate value of pre-funded instrument per day is Rs. 50,000/- or more for a client, we may accept the instruments only if the same are accompanied by the name of the bank account holder and number of the bank account debited for the purpose, duly certified by the issuing bank.

The mode of certification may include the following either :

- a. Certificate from the issuing bank on its letterhead or on a plain paper with the seal of the issuing bank.
- b. Certified copy of the requisition slip (portion which is retained by the bank) to issue the instrument.
- c. Certified copy of the passbook/bank statement for the account debited to issue the instrument.
- d. 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.