

POLICY FOR PRE-FUNDED INSTRUMENTS

While receiving funds from the clients through pre-funded instruments, such as, Pay Order, Demand Draft, Banker's cheque, etc., the below mentioned points shall be followed:

- If the aggregate value of pre-funded instruments is Rs. 50,000/- or more, per day per client, the stock brokers 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 includes the following:
 - i. Certificate from the issuing bank on its letterhead or on a plain paper with the seal of the issuing bank.
 - ii. Certified copy of the requisition slip (portion which is retained by the bank) to issue the instrument.
 - iii. Certified copy of the passbook/bank statement for the account debited to issue the instrument.
 - iv. Authentication of the bank account-number debited and name of the account holder by the issuing bank on the reverse of the instrument.
- Maintain an audit trail of the funds received through electronic fund transfers to ensure that the funds are received from their clients only.

