

SANJAY AGARWAL BROKING LIMITED

ECSL0710, AMBUJA NEOTIA ECOCENTRE, FM 4, SALT LAKE SECTOR V, KOLKATA - 700091 ● TEL: +91 33 46020776

SANJAY AGARWAL BROKING **LIMITED**

PRE FUNDED INSTRUMENTS POLICY

2020

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1. BACKGROUND

The Policy is made in accordance with SEBI vide circular no. CIR/MIRSD/03/2011 dated June 9, 2011 regarding acceptance of Pre-funded instruments/Electronic fund Transfer against Pay-in Obligation/Margin for trades on Exchange.

Terms used in this policy:

1. Prefunded Instruments - Referred as Pay order, Demand Draft, banker's cheque etc.
2. Electronic Fund Transfers - Referred as transfer of funds using net banking

2. OBJECTIVE

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

3. SCOPE

Acceptance of Pre-funded instruments like Demand Draft/ Pay order/ Bank Guarantees from a client against Pay in Obligation/ Margin.

4. PROCEDURES

Demand Draft and Pay order of amount exceeding Rs. 50000/- should not be accepted. Payment in the form of Demand Draft and Pay order should be accepted in exceptional cases and within the above specified limits. The Prefunded Instruments must be accepted only in following special circumstances;

- If there are Bank Holidays on the following day.
- If the client does not have an account in the bank in which the company has accounts.
- If the client wants to create a position immediately and has no other way of transferring funds.
- If the Bank account of the client is in a cooperative bank, which may take some time for the cheque to be cleared.
- If the company Bank accounts clearing branch is not available in the city/village where the client has his bank account.

SANJAY AGARWAL BROKING LTD.

Sanjay Kumar Somu

Director

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If we have to accept demand draft, Pay order or ECS for amount exceeding Rs. 50000/-, following proof shall be taken on record after taking prior approval of directors.

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

The Accounts Department has been instructed strictly to follow the above policy while accepting Demand Draft/Pay-Order.

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Sanjay Kumar Somu

Director