

SETTLEMENT OF FUNDS AND SECURITIES (DIRECT CLIENT AS WELL AS SUB BROKER CLIENTS)

Settlement of Securities

- System of pay in and pay out of securities from / to clients : All securities sold by clients, are transferred from their BO A/c through POA (we hold POA for majority of our clients) to the respective Exchange pool a/c for payin on T+1day. The securities are taken from the pool a/c for payin by the Exchange through Auto DO on T+2day.
- All securities purchased by clients, are received in the respective Exchange pool a/c on payout. The securities are then transferred to the respective clients BO a/c on the payout day itself. In case of any debit balances in the clients ledger, the securities are transferred to our client beneficiary a/c till the debit balance is cleared.

Settlement of Funds

- All cheques are collected from the clients at HO/Branches and are deposited in the respective client money a/cs. The branches pass the receipt entries for all the cheques received in the back office software. These entries are approved by Accounts team at HO and credit the same to the respective clients ledger after verification and reconciliation with the bank statements.
Any 3rd party payments received will not be credited to the clients a/c until the documents are received. The entries will be parked in a suspense account ledger until reconciled.
- If any cheques are returned, the entry is reversed at HO. The returned cheques details are sent to the branches. The follow up for the amount is done by the respective branches. Cheques redeposited, are then credited to the respective clients ledger after verification.
- All receipts are then transferred to the respective settlement a/cs for onward payin to the Exchanges.
- Payout of funds is received on T+2 day evening from the Exchange.
- Emails are sent for release of payments by clients to the branch operations team, these are sent to HO for processing.
- The accounts team at HO will review the client's ledger position across all segments and if the client is in credit the cheque process will be initiated for the requests received from branches. It will also ensure that before client funds are released, securities shortages and third party stocks provisional debits, auction/close out entries are passed and taken into consideration.

- All the payout requests will be approved by RMS based on the clients open positions. Cheques/Fund transfer instructions/RTGS/NEFT will be prepared for pay out and sent to the branches and respective banks.