

Frequently Asked Questions

1) Please explain the process of booking, renewal or liquidation of Fixed Deposit (FD)

Booking:

- The following documents will be required for booking the FD:
 - a) Request Letter for booking FD (annexure 2) from the Member on the letter head of the Member
 - b) Request Letter (annexure 1) on the letter head of the member
 - c) Duly certified true copy of the PAN Card of the Member
 - d) One time Board Resolution for booking FD from the member (only in case the member is a Pvt Ltd / Ltd Company)
 - e) NOC from CSE for booking FD (annexure 3)
 - f) One-time hold & release letter from CSE on the letter head of CSE giving details of the members (annexure 4)

Renewal:

- The following documents will be required for renewal of the FD:
 - a) Normally the FD will be in auto-renewal mode.
 - b) If CSE/Member want to change the tenure of the FD, a request letter from the Member / CSE will be required.

Liquidation:

- The following documents will be required for liquidation of the FD:
 - a) Original FD Receipt duly discharged by the member at the back of the FD
 - b) Release letter from NSE/BSE
 - c) Release letter from CSE
 - d) Request letter from Member to liquidate the FDR

Please note that:

- In case the principal amount of FD is not to be credited to the member, CSE will have the right to invoke the FD and credit the same in their Account. In such cases, CSE will not issue release letters to the members.
- FD will be made in the name & style of "BSE Ltd A/c - The Calcutta Stock Exchange limited" / "NSCCL A/c - The Calcutta Stock Exchange limited"
- Interest would be given to the Member of CSE
- TDS will be deducted in the name of Member

2) Who will get the Interest and TDS benefit for the FDR booked?

The member will enjoy the benefit of Interest as well as the TDS deducted. The interest will be credited to Member's Account with HDFC Bank on maturity and member shall be able to claim the benefits of TDS.

3) Will the Members who don't have Bank account with HDFC Bank, be able to book FD with HDFC Bank?

Yes the members who do not have Account with HDFC Bank can also book the FD with us provided full KYC formality as per the Bank's requirement is being done for the client and adequate funds are provided by the member to book the FD with us.

Points to be noted:

- In the above case the Interest portion will be paid by the Bank by way of Manager's Cheque in the name & style of "BSE Ltd A/c - The Calcutta Stock Exchange limited" / "NSCCL A/c - The Calcutta Stock Exchange limited" and the member will be responsible for getting the amount credited in their Bank A/c with their Bank.

4) Is there any alternative way for the Members availing the scheme who are not having Accounts with HDFC Bank?

Yes, the Members can open their Account with HDFC Bank and avail the entire benefits of the scheme. In this case the members will not be required to follow-up with their bank to get the interest credited; it can automatically get credited in the Account of the Members.

5) What should the member do if their Account with HDFC Bank Is dormant (i.e. not operative for more than 6 months)?

In such cases, the member is required to activate the said account by giving the following documents to the bank:

- a) Letter for activating the Account on the letter head of the member
- b) Certified true copy of the PAN card of the Member and the authorized person signing the request letter
- c) Deposit of Rs.100/- in cash to their Account with HDFC Bank Ltd

6) Who will have the first rights on the FD?

The rights on the FD will be in the following order:

First Right of refusal - BSE/NSE (NSCCL)

Second Right of refusal - CSE

Third Right of refusal – Member/Broker

7) What would be the interest rate offered? What if the FD rate offered by Bank is revised upwards?

The FD rate on offer shall be the prevailing FD rates offered by HDFC Bank for the tenor/amount specified. If the FD rates of the bank change during the tenure of existing FD and the member wants to take advantage of such rates, then the member has to book a new FD with HDFC Bank (as per the name / style prescribed by CSE) and replenish the old FD with the new FD to CSE and get the old FD liquidated in their Account with us.

8) What documents will be required in case of premature of FDs?

The member will need to submit the following documents to the bank so as to enable the Bank to premature the FDs:

- Original FD Receipt duly discharged by the member at the back of the FD
- Release letter from NSE/BSE
- Release letter from CSE
- Request letter from Member to premature the FDR
- Board Resolution for Premature of FD (only in case the member is a Pvt Ltd / Ltd Company)

9) Will CSE be out of pocket at any point of time in case such Booking, Liquidation or Premature of FD?

CSE will not run out of pocket in any of the scenarios

- Booking of FD- CSE will only release the funds from their account to Members' account once it receives the original FD receipt from the Bank.
- Liquidation of FD- On maturity, CSE and the member will have to submit the required documents as mentioned above to the bank for either renewal / liquidation / premature of FDs. Bank will not act on any instruction without the written consent of CSE
- Premature of FD- Premature of FD will only be allowed if the client has already submitted fresh FD of the same amount to CSE.

10) Will CSE be able to premature the FDR? Will the exchange be able to transfer FD from BSE to NSE and vice versa?

Yes, CSE can premature the FD, provided all the required documents as mentioned above (under FAQ 6) are being provided to the Bank. However, CSE retains the right to invoke the FD of any member provided release letter of BSE is provided.

The exchange can transfer the FD from BSE to NSE and vice versa but this will involve the premature of existing FD and booking of fresh FD. This will in turn result in loss of interest to the individual broker due to interest rate differentials whose FD is getting prematured.