

Operating Guidelines

Transaction Submission and Settlement

I. TRANSACTION SUBMISSION :

A. SUBSCRIPTION SUBMISSION :

1. For subscribing to the Mutual Fund units, the MFDs shall register their respective client details on BSE StAR MF Platform as per the client master. The bank account details of the client, viz. Account Number, IFSC Code and the MICR number should be correctly filled in, to avoid any inconvenience in mapping the funds received for purchase transactions/receipt of redemption proceeds from the AMC, for their redemption transactions. MFDs shall register the clients manually or through bulk upload facility.
2. MFDs/MFD's clients shall then place subscription requests on BSE StAR MF platform. Provision has been provided to place orders for multiple schemes across AMCs, and the payment shall be made through single transaction request process and single Instrument by the aforementioned different modes.
3. BSE StAR MF Platform validates scheme code, minimum investment amount etc. before confirming successful transaction request submission.
4. After placing the order/s on BSE StAR MF platform, an email shall be sent to the investor's registered email ID updated on BSE StAR MF Platform providing the payment reference link for the all the below mentioned payment modes, except the payment mode as Cheque.
5. If a particular mode is selected erroneously, the client shall correct the Mode before initiating the payment. Once the payment has been initiated the mode cannot be changed.
6. All subscription orders, for which the payment has not been initiated till 9:30 a.m. on T+1 day, will be auto cancelled by the system.

PAYMENT MODES :

a) Payment Gateway

- MFDs/MFD's client will select the mode of payment as Direct pay/Nodal Pay and submit the transaction request for processing the payment.
- The list of the banks which are available for Direct and Nodal is provided in the attached annexure. It may be mentioned that if the Investor's bank is available in Direct mode, and Investor selects the Nodal mode, he will not be able to initiate the payment and vice-versa.
- The link selected, shall direct the investor to their respective net banking window to initiate the payment with the transaction amount. Once the payment is done, the investor is re-directed to the BSE StAR MF Platform.
- The payment confirmation details will be updated in the transaction request details.

b) One Time Mandate (OTM)

- MFDs will be required to register the mandates received from their respective clients, on BSE StAR MF platform, before the same shall be used for initiating the OTM payment.
- Once the mandate status is APPROVED, MFDs/MFD's clients shall initiate the payment OTM mode of payment for their purchase transaction/s placed on BSE StAR MF platform.
- If the client has already registered a mandate for XSIP, then the same mandate shall be used for initiating the payment for transaction/s entered on the BSE StAR MF platform. A single mandate shall be used to make payments for multiple transactions.
- MFDs/MFD's clients will select the mode of payment as OTM and submit the transaction request for processing the payment.
- All the mandates registered for that particular client shall be displayed with the limit available for making the payment option. The client has to initiate the payment for the transactions through OTM mode before 3:30 pm on T day, else it will be processed for the next day.
- The funds shall be debited directly from the client's account on the next trading day i.e. T + 1.

c) Cheque

- On successful submission of the transaction, MFDs/MFD's clients shall submit the instrument to the nearest BSE StAR MF Service Centres by providing the member code/member name and the client code/client name on T + 1 day before 9:30 a.m. However to avoid any inconvenience on T + 1 day, it is strongly recommended to submit the instrument by 6:30 p.m. on T day.
- The cheque is to be submitted from the Investors bank account registered in the UCC on BSE StAR MF platform favouring Indian Clearing Corporation Ltd.
- MFDs/MFD's clients to ensure that the total subscription order matches with the cheque amount.
- The Instrument collected may be single instrument across the investments made in multiple schemes/AMCs or multiple instruments.
- The official present in the BSE Service Centre will verify the Cheque submitted by the Investor against the Orders placed on BSE STAR MF platform and time stamp the deposit slip, if found in order, and give the acknowledgement copy to the investor/person coming to deposit the cheque.
- If the total amount of the transactions placed on BSE StAR MF platform does not match with the cheque amount, the official in the BSE Service Centre will return the cheque to the investor.
- If the payment is not initiated till T+1 day 9:30 am, for the orders placed on BSE StAR MF platform, then all such orders shall be auto cancelled by the system.

B) Redemption / Switch Authentication for MFDs in non demat

- For redeeming in the Mutual Fund units, the MFDs shall register their respective client details on BSE StAR MF Platform as per the client master. MFDs shall register the clients manually or through bulk upload facility.
- MFDs/MFD's clients shall place redemption requests for multiple schemes across AMCs through manual or by bulk upload method. The below options are available for placing redemption requests :
 - Redemption in Amount
 - Redemption in Units

- Redemption for All Units

- BSE StAR MF Platform validates scheme code, minimum investment amount etc. before confirming successful transaction request submission.
- A SMS message will be sent to the investor's registered mobile number on BSE StAR MF Platform mentioning the transaction request details.
- The investor shall send the return response to the mentioned mobile number by authenticating the redemption transaction as "Yes" or "No" along with reference no. i.e. **Yes 300100001** to confirm and **No 300100001** to reject the transaction.
- If the response is not received by 3:10 p.m. the system will auto reject such redemption transactions.
- The authentication received from the investor shall be updated in the redemption transaction and the transactions shall be submitted for onward processing to RTA/AMCs.
- The redemption proceeds will be sent to the Investor's bank account by RTA through appropriate payment mode as decided by AMC from time to time and as per the bank account details recorded with RTA/AMC.

II) SETTLEMENT PROCESS :

A) SUBSCRIPTION SETTLEMENT :

- For transaction requests routed through the BSE StAR MF platform, ICCL will upload the subscription transaction files to the respective RTA/AMC as per the current practice.
- For transaction requests with transaction value less than Rs. 2 lakhs, RTA/AMC will make provisional allotment of units, with T day's NAV.
- For transaction requests with transaction value greater than Rs. 2 lakhs and for liquid funds, subscription transaction file shall be sent to the RTA/AMC ONLY on the realization of the funds in ICCL's account.
- Payments for all subscription transaction requests routed through BSE StAR MF Platform shall be issued in favour of Indian Clearing Corporation Ltd by the investors.
- Amount realisation status shall be updated based on the information received by ICCL from the designated bank. The realised payment shall be reconciled with the transaction request received on BSE StAR MF Platform.

- ICCL will transfer the funds realised in its account to the respective AMC by 12:00 noon on the next day and simultaneously upload the transaction confirmation status to the RTA/AMC to update their records in case of provisional allotment.
- On T + 6, ICCL will report the funds not received status to RTAs for reversing transactions in respect of which payment has not been realised till 12:00 noon on T + 5.
- In case of late return intimation by the bank, ICCL will be intimating AMC/RTA for necessary reversal of transaction and refund to ICCL account.
- As per the current practice, RTA/AMC shall intimate the allotment/rejection details for all the transactions (inclusive of the provisional transactions) reported to them, on the morning of T + 1 day as hitherto.
- The status of allotment/rejection shall be updated on the BSE StAR MF Platform on T + 1 day and T + 7 day.

B) REDEMPTION/SWITCH SETTLEMENT :

- For redemption/Switch transaction requests routed through the BSE StAR MF platform, ICCL will upload the subscription transaction files to the respective RTA/AMC as per the current practice.
- The RTAs shall process the same at their end and provide the redemption status of these transactions to ICCL on T + 1 day. This status will be updated on BSE StAR MF platform on T + 1 day by 10:00 a.m.
- The fund pay-out, in respect of these redemption transactions will be credited in the bank account of the Investor, (provided in the provisional feed file to the RTA) directly by the RTA on the TAT of the scheme.
- The RTA's shall intimate the Switch-out status on T + 1 day and the status of Switch in transactions will be provided by RTA according to the TAT of the Switch-Out scheme.

III) EOD REPORTS

EOD Report provides the summary of the transactions executed on BSE StAR MF Platform :

- Provisional Order Report
- Order Status Report
- Allotment Statement
- Redemption Statement