



# AJCON GLOBAL

ISO 9001:2008 Certified Company

Ajcon Global Services Ltd.

408, Express Zone, A Wing, Cello –Sonal Realty,

Near Patels, Western Express Highway,

Malad (E), Mumbai - 63.

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**Equity ♦ Commodity ♦ Currency ♦ D.P. ♦ Advisory Services**  
**Investment Banking - Category I Merchant Bankers**

**AJCON GLOBAL SERVICES LIMITED**  
**(Stock Broker- Members NSE/BSE/MCX-SX/OTCEI)**  
**(Depository Participant- CDSL)**

**POLICY FOR PRE-FUNDED INSTRUMENTS / ELECTRONIC FUND TRANSFERS**

Policy created by : Compliance Head Ankit Ashok Ajmera (Executive Director/Compliance Officer)	Policy created on : 01-04-2013
Policy reviewed by : Compliance Head Ankit Ashok Ajmera (Executive Director/Compliance Officer)	Registeres Office: 101,Samarth,Off Hinduja Hospital 151 LT P.N.Kotnis Road,Mahim West, Mumbai 400016
Approval authority : Manging Director Ashok Kumar Ajmera (CEO)	Corporate office: 408, Express Zone, Cello –Sonal Realty, Western Express Highway, Goregaon East, Mumbai-400063
Policy approved by : Manging Director Ashok Kumar Ajmera (CEO)	Policy approved on : 01-04-2013
Periodicity of Review periodicity : Yearly	Last reviewed on : 01-04-2014
Document No: 00-01 Version number : 1.3	Effective date of implementation : 01-04-2013
Officer responsible for implementation : Compliance Officer- Ankit Ashok Ajmera	AGSL-Ajcon Global Services Ltd



**Objective:**

The objective of the policy is to prevent acceptance of third party funds and to prescribe process to deal with instruments issued by third party when received.

**Background:**

Sr No	Issurer	Circular Number	Circular Issue date
1	SEBI	SEBI/MRD/SE/Cir-33/2003/27/08	August 27, 2003
2	SEBI	CIR/MIRSD/03/2011	June 9, 2011
3	NSE	NSE/INSP/18024	June 9, 2011
4	BSE	Notice No20110610-6	June 10, 2011
5	MCX-SX	584	June 10, 2011

Aforesaid Circulars has advised stock brokers to maintain an audit trail while receiving funds from the clients through Demand Draft (DD)/Pay Order (PO)/Bankers Cheque (BC) since such third party pre-paid instruments do not contain the details like name of the client, bank account number are not mentioned on such instruments. Non maintenance of audit trail may result in flow of third party funds or unidentified money which may result into breach of regulations issued under PMLA and SEBI circulars.

**Terms used in this policy:**

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

**Policy:**

SEBI vide circular no. SEBI/MRD/SE/Cir-33/2003/27/08 dated August 27, 2003 has specified that the stock brokers can accept demand drafts from their clients. However, in accordance with SEBI circular no. CIR/MIRSD/03/2011 dated June 9, 2011, the following needs to be complied:

1. A "Pre-paid instrument received register" with columns for date, name of the client, amount, instrument drawn on (bank name) and such other columns as found necessary shall be maintained. The register may be maintained either in a physical form or in electronic form.
2. Pre-paid instruments of the value of less than Rs 50,000 may be accepted from the client. Whenever such instruments are received, entry into 'Pre-paid instruments Received register' shall be made.



3. The Prefunded Instruments shall be accepted only in following special circumstances;

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

4. The Prefunded Instruments must be accepted only in cases mentioned above and not otherwise. Approval for acceptance must be taken by either of the executive Directors or the Managing Director and only then credit should be given and should not aggregate to more than Rs.50,000/- per day

a) If the pre-paid instrument is for value more than Rs 50,000 or If the aggregate value of pre-funded instruments is Rs. 50,000/- or more, per day per client is presented for acceptance, such instrument or instruments may be accepted, only if the same is/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 may include the following:

- I. Certificate from the issuing bank or its letter head 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.

4. If a client submits pre-paid instruments at different times during the day, details and certificates as stated above must be collected along with the instrument with which the aggregate value of pre-paid instruments submitted exceeds Rs 50,000 for that date.

5. In case of any receipt of funds by way of Electronic fund transfer, an audit trail to ensure that funds are received from respective client only has to be maintained. Necessary details must be collected from banker at which the amount is received.

6. If the pre-paid instrument is received through post or any other method where client does not directly interface for submission of the instrument and the instrument does not contain the information as required above, the following action must be taken:

- Contact the client immediately and seek information. Not to bank the instrument until the information is given by the client.



- If the pre-paid instrument is bank transfer, contact banker immediately for the details; not utilize the amount so credited until the details are received and not to give credit to the customer until banker gives the details/certification.

7. While giving credit to respective client's ledger, Head office needs to cross check / verify with documents that such instrument is received from respective client's.

**Approval Authority:**

This policy shall be approved by our Board

**Review Policy :**

This policy shall be reviewed as and when there are any changes introduced by any statutory authority or as and when it is found necessary to change the policy due to business needs.


The policy shall be reviewed by the Managing Director/CEO and place the changes in policy before the Board at the meeting first held after such changes are introduced.

**Policy communication:**

A copy of this policy shall be made available to all the relevant staff/persons such as: compliance officer / department in-charge of registration/ staff who are responsible for receipt of funds from clients and customer service executives of clients and sub-broker /authorized persons.

Further, a copy of this policy shall be displayed on our website: [www.ajcononline.com](http://www.ajcononline.com)

FOR AJCON GLOBAL SERVICES LTD.

  
DIRECTOR

