

CHANGE IN MANAGING PARTNER

Instruction for filling-up documents related to change in Managing Partner

Sr. No	Document Ref. No.	Particulars	Compliance (Yes /No)
1	CMPA-1	Request letter for change in Managing Partner due to Retirement (etc.) or Appointment of new Managing Partner (if any)	
i.		Request letter should be on the letterhead of the Member	
ii.		Request letter shall be signed by one of the remaining Managing Partner	
iii.		Request letter is dated	
iv.		Request letter is address to the Exchange	
v.		The with effect from date mentioned for resignation and appointment in the request letter	
2	CMPA-2	Certified copy of Rectification Deed filed in the office of concerned Registrar of Firm along with Registrar of Firm filing fees receipt	
i.		Rectification / Supplementary Deed is certified by the Managing Partner under the rubber stamp of the Partnership Firm	
ii.		Certified copy of receipt/ Challan of payment made towards change in Managing Partner to Registrar of Firms	
iii.		Certified copy of the Approval/ noting received from Registrar of Firm for change in Managing Partner / Partner	
3	CMPA-3	Proof of Age of new Managing Partner duly Self certified under the Rubber Stamp of the Firm	
i.		Managing Partner is of 21 years.	
ii.		The copy of age proof submitted is Self Certified under the rubber stamp of the Firm	
iii.		The Age Proof submitted is Valid (i.e. the Validity of the documents should not expire.)	
iv.		The Name of the Person mentioned in the Proof matches with the Annexure CMPA-10	
v.		The date of birth of the person mentioned in the proof matches with the Annexure CMPA-10	
4	CMPA-4	Proof of Address of new Managing Partner duly certified under the Rubber Stamp of the Firm	
i.		Is the Applicant is Indian National	
ii.		The copy of address proof submitted is Self Certified under the rubber stamp of the Firm	

Sr. No	Document Ref. No.	Particulars	Compliance (Yes /No)
iii.		The Address Proof submitted is Valid (i.e the Validity of the documents should not expire)	
iv.		Utility Bill submitted as address proof and are within 3 months	
v.		The Address mentioned in the Proof matches with the Annexure CMPA-10	
5	CMPA-5	Proof of Experience of new Managing Partner	
i.		Submitted on the Letterhead of the Issuing Entity	
ii.		The Name of the Person mentioned in the Proof matches with the Annexure CMPA-10	
iii.		Period of Experience, field of experience and type of Experience mentioned.	
iv.		Self Certification submitted.	
6	CMPA-6	Current / Existing Sharing Pattern (If sharing changes more than 51%, it is a case of transfer)	
i.		Sharing Pattern compared with earlier shareholding pattern and there is no change	
ii.		Check Point No. 7 of Annexure CMPA-10 if no change	
7	CMPA-7	Existing DPG Details.	
i.		DPG compared with earlier DPG and there is no change	
ii.		Check Point No. 7 of Annexure CMPA-10 if no change	
8	CMPA-8	Undertaking for Debarred/Suspension/Default	
i.		Debarred Undertaking is on the letterhead of the firm	
ii.		Debarred Undertaking is in Format	
iii.		Name of the member and name of the Managing Partner mentioned in the first paragraph of the Undertaking	
iv.		Signed under the rubber stamp of the Firm by the Managing Partners whose name appears in the undertaking	
v.		Name of the Managing Partner is per the Annexure CMPA-10	
vi.		Partnership Firm - Signed by all the Managing Partners	
vii.		Date and Place should be mentioned in the Debarred Undertaking.	
9	CMPA-9	List of Partners (Existing and After change) in the prescribed format. Also specify the name & designation of the Managing Partners	
i.		All the columns filled and NA mentioned wherever Not Applicable	

Sr. No	Document Ref. No.	Particulars	Compliance (Yes /No)
ii.		The details submitted are in the prescribed format of the Exchange.	
iii.		Name of all the partners and their designation (like Managing Partner) mentioned	
iv.		Details mentioned matches with the Bio data and Sharing Pattern.	
v.		Date of the certification should be mentioned.	
vi.		Certified by the Managing Partners of the firm under the rubber stamp of Firm.	
10	CMPA-10	Undertaking	
i.		Undertaking should be on the letterhead of the Member	
ii.		Each page of Undertaking shall be signed by one of the existing Managing Partner and by the newly appointed Managing Partner	
iii.		Undertaking is dated	
iv.		Undertaking is address to the Exchange	
v.		All details are mentioned in the undertaking are complete in all respects and no columns are left blank/ unanswered	
vi.		Answers to Point No. 9 are given. All answered are mentioned as NO.	
vii.		If any YES is mentioned, a separate sheet submitted giving details, duly signed by the respective Managing Partner	
viii.		The details of earlier undertaking (TCM, VSAT, INTERNET) mentioned with respect to date of execution and signed by mentioned are compared with the earlier undertaking mentioned and found to be correct.	
ix.		Place is mentioned at last in the undertaking	
11	CMPA-11	Undertaking	
i.		Undertaking should be on the letterhead of the Member	
ii.		Each page of Undertaking shall be signed by one of the existing Managing Partner and by the newly appointed Managing Partner	
iii.		All the contents of undertaking mentioned and submitted as per the prescribed format of the Exchange	
12	CMPA-12	Details of the Firm and all Partners as per format prescribed in Circular No. 478 dated November 10, 2006 (PAN details)	
i.		Covering letter on the letterhead of the Partnership Firm submitted in the prescribed format of the Exchange	

Sr. No	Document Ref. No.	Particulars	Compliance (Yes /No)
ii.		Certified copies of PAN card (front & back side) submitted for Partnership Firm and all the Partners under the rubber stamp of the Firm	
iii.		Details submitted are in the format prescribed in circular no.478	
iv.		PAN Number mentioned in the letter matches with the PAN Card copies submitted	
v.		Date of birth mentioned in the PAN Card matches with the Bio-data	
13	CMPA-13	Undertaking for not being Director/Partner/Proprietor/HUF in any other MCX membership.	
i.		Undertaking should be on the letterhead of the firm	
ii.		Undertaking is in Format	
iii.		Name of the Managing Partner is per the Annexure CMPA-10	
iv.		<u>Common undertaking submitted.</u> Name of all the Managing Partner mentioned and signed by all the Managing Partner under the rubber stamp of the Firm	
14	CMPA-14	Undertaking from all partners authorizing the Managing Partner(s)	
i.		The Undertaking from all the Partners authorizing Managing Partner is in the prescribed format of the Exchange.	
ii.		The Undertaking from all the Partners authorizing Managing Partner is on the letterhead of the firm.	
iii.		The Undertaking from all the Partners authorizing Managing Partner contains the name of all the Partners and signature of all the Partners.	
15	CMPA-15	Networth Certificate in prescribed format of the Exchange to be submitted after the approval of the Exchange for Change in Managing Partner.	
16		If there is any change in sharing pattern due to change in Managing Partner, the Member is required to apply for prior approval of the Exchange & to submit documents for change in sharing pattern	

APPLICATION FOR CHANGE IN MANAGING PARTNER**Date:**

Membership Department
Multi Commodity Exchange of India Ltd.
Exchange Square, CTS no 255,
Gundavali village, Suren Road
Chakala, Andheri (East),
Mumbai -400 093.

Dear Sir / Madam,

We, _____, the member of the Exchange hereby seek your approval for change in managing partner as per the details given below:

Further, we confirm that:

1. The Incoming managing partner is not a sub-broker / Authorised Person of any other member of the Exchange.
2. The incoming managing partner is not a partner of another member of Multi Commodity Exchange of India Limited
3. Change in managing partner is not accompanied with change in sharing pattern / control.
4. There is no change in the managing partner with respect to last approved by the Exchange vide its approval letter no. _____ dated _____.

The following documents are submitted by us in regard to this application:

Sr. No.	Particulars of Document	Submitted (Yes/No/ NA)
1	Request letter (on letterhead) for change in Managing Partner due to Retirement (etc.) and Appointment of new Managing Partner (if any)	
2	Certified copy of Rectification Deed filed in the office of concerned Registrar of Firm	
3	Proof of Age of new Managing Partner	
4	Proof of Address of new Managing Partner	
5	Proof of Experience of new Managing Partner	
6	Undertaking for Debarred/Suspension/Default.	
7	List of Partners (Existing and After change) in the prescribed format. Also specify the name & designation of the Managing Partners	
8	Undertaking as per Annexure CMPA-10	
9	Undertaking as per Annexure CMPA-11	
10	Details of the Firm and all Partners as per format prescribed in Circular No. 478 dated November 10, 2006 (PAN details)	
11	Undertaking for not being Director/Partner/Proprietor/HUF in any other MCX membership	

Sr.	Particulars of Document	Submitted (Yes/No/ NA)
12	Undertaking from all partners authorizing the Managing Partner(s)	
13	If there is any change in sharing pattern due to change in Managing Partner, the Member is required to apply for prior approval of the Exchange & to submit documents for change in sharing pattern	

For any further communication in this regard, please contact the undersigned or Mr./ Ms. / Mrs. _____ (*name of the contact person*) on _____ (*contact numbers*) or e-mail _____.

For **(Name of Member)**

Signature of Existing Managing Partner

SHARING PATTERN (FOR PARTNERSHIP FIRM)
(ON FIRM'S LETTER HEAD)

Sr. no.	Name	Capital in the Firm	Share in Profits	Share in Losses
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
TOTAL			100%	100%

Date:

Place:

Signature of Managing Partner(s)

Rubber Stamp:

CERTIFICATE

This is to certify that the Capital and Sharing Pattern of _____ as given above, based on my/our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Date:

For (Name of Accounting Firm)

Place:

Name of Partner Chartered Accountant

Membership Number

Rubber Stamp

Annexure - DPG-1:

Details of Dominant Promoter Group as on _____

Sr. No	Name	No of Shares*		Total Amount Paid*		% of total*		Total
		Self	Relative	Self	Relative	Self	Relative	
1								
2								
3								
4								

Total:

Date:

Place:

Signature(s)

CERTIFICATE

This is to certify that the sharing pattern _____ as given above, based on my / our scrutiny of the books of accounts, records and documents is true and correct to the best of my/ our knowledge and as per the information provided to my /our satisfaction.

Date :

For (Name of Chartered Accountant firm)

Place :

 Name of Proprietor / Partner of
 the
 firm Chartered Accountants
 Membership Number :

*For arriving at the shareholding/ sharing pattern of persons constituting the Dominant Promoter Group the shareholding of close relatives, namely parents, spouse, children and their descendants, brothers, sisters and associates only may also be counted provided these relatives give an irrevocable, unconditional support in writing on the prescribed format of Exchange.

Annexure - DPG- 2 :

Undertaking from Relative of Persons constituting DPG (Dominant Promoter / Partner Group)

{Each relative is to submit separate copy of this disclosure in the form of Annexure}

I, Mr. /Ms / Mrs. _____, son / daughter / wife of

_____ Resident of _____

declare that

I am the absolute owner of _____ (Number of shares) Shares of Rs. _____ each of Rs. _____ per share paid up, which constitutes _____ % of the total paid up capital of the company _____ Private Limited / Limited _____ as on this date.

OR*

I am partner in the Partnership Firm _____ for sharing profit and loss to the extent of _____ % as _____ (Date)

* Strike out whichever is not applicable.

I state that I shall irrevocably and unconditionally support in respect of my shareholding / sharing pattern.

Mr./Mrs. _____, a shareholder / partner in the above mentioned company / partnership firm. I further state that I have no objection to my above mentioned shareholding / sharing pattern being clubbed with the shareholding / sharing pattern of Mr. / Mrs. _____ who is my _____ (give relationship with the latter) for the purpose of determining the dominant promoter / partner group of the said Company /Partnership Firm

This support is irrevocable and I also undertake to give prior information to the Multi Commodity Exchange of India Limited before selling or otherwise transferring my part or whole of my above mentioned shareholding / sharing pattern.

Date:

Place:

Signature:

WITNESS BY:

Name:

Address:

Signature:

Place:

Date:

CERTIFICATE

This is to certify that the shareholding / sharing pattern of _____ as indicated above, based on my / our scrutiny of the books of accounts, records and documents is true and correct to the best of my/ our knowledge and as per information provided to my / our satisfaction.

Date: _____ For (Name of Chartered Accountant firm)

Place: _____
Name of Proprietor / Partner Stamp of the firm
Chartered Accountants
Membership Number:

*For arriving at the shareholding of persons constituting the Dominant Promoter Group the shareholding of close relatives, namely parents, spouse, children and their descendants, brothers, sisters and associates only may also be counted provided these relatives give an irrevocable, unconditional support in writing on the prescribed format of Exchange.

**Format of Undertaking
(On the letterhead of the Member)**

Date: _____

To,
 Membership Department
 Multi-Commodity Exchange of India Ltd.
 Exchange Square, CTS no 255,
 Gundavali village, Suren Road
 Chakala, Andheri (East),
 Mumbai 400 093.

Dear Sir,

“I/We hereby confirm/undertake that _____ (Trade Name of the Member) and
 _____ (Name of Proprietor/ Designated Directors/ Managing Partners/ Karta)
 _____ (Name of Proprietor/ Designated Directors/ Managing Partners/ Karta) and
 constituents of dominant promoter group

- a. are not debarred/suspended/expelled/ declared defaulters by SEBI/FMC/RBI/ any recognized Stock Exchange / any recognized Commodity Exchange.
- b. are not connected with any of the defaulting/debarred/expelled/suspended member of any Stock Exchange/ Commodity Exchange
- c. there are no complaints/ disciplinary action against us at SEBI/FMC/RBI/ any recognized Stock Exchange / any recognized Commodity Exchange
- d. no investigation / enquiry by SEBI/FMC/RBI/ any recognized Stock Exchange / any recognized commodity Exchange is pending against us or undertaken against us
- e. the proprietor / Karta / Partners/ Directors of the member entity are not suspended/ expelled / declared defaulter/insolvent/bankrupt by any recognized Stock Exchange/ recognized Commodity Exchange
- f. the proprietor/karta/Partners/Directors of the member entity are not involved in any type of money laundering activities.
- g. the proprietor/Karta/Partner/Director of the member entity have not committed any act and / or have not any time convicted for any act involving threat to the public/national interest.

In case of any action/complaints/investigation/enquiry by any Statutory Agency/ Regulatory Agency/ Stock Exchange/ Commodity Exchange in future, I/ We undertake to intimate the Exchange immediately.

I/We declare that the information given above is true and any misstatement or misrepresentation or suppression of facts in connection with the above undertaking may entail rejection of our application or expulsion of our membership.

Yours faithfully,

For (Name of the Member)

1. Authorised Signatory
 (Name of Designated Director/ Managing Partner/ Proprietor/ Karta)

2. Authorised Signatory
 (Name of Designated Director/ Managing Partner/ Proprietor/ Karta)

Rubber stamp

Place:-

On the letterhead of the firm /company

Details of Directors / Partners / Proprietor / Society Member

Name	Age	Education	PAN No.	Contact No.	Designation Since	Whether Designated Director / Managing Partner in Member Company (Yes / No)	Experience (no. of years)	Shareholding / Sharing Pattern			Directorship / Controlling shareholding in other cos / entities
								No.	Amount	% of Total	

Date:

Signature:

Name of the Proprietor / Managing Partner / Designated Director

Place:

Rubber Stamp of the entity

Format of Undertaking

(To be given by the Member on his letterhead and to be signed by existing managing partner as well as by the incoming managing partner under the rubber stamp of the company)

Date:

To,
Multi Commodity Exchange of India Ltd.
Membership Department,
Exchange Square, CTS No. 255,
Gundavali, Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093.

Dear Sir,

We hereby propose to appoint Mr. / Mrs. / Ms. _____
as a managing partner of our firm. The details and information with respect to said managing partner is as follows:

- 1) Name
- 2) Nationality
- 3) Residence Address
- 4) Contact No. & Mobile No.
- 5) Date of Birth & Age
- 6) Educational Qualification
- 7) Experience
- 8) Sharing in _____ (name of the member)
- 9) Interests in any other firm as a Partner (Yes / No).
- 10) Please provide following information about the proposed Managing Partner
 - i) Has ever been declared / rendered incompetent to enter into contract under any law in force in India - (Yes / No).

(Signature of existing Managing Partner)
With rubber stamp of firm

(Signature of new incoming Managing Partner)
With rubber stamp of firm

ii) Has ever been declared a defaulter by any Association or Exchange recognized by the Government under any law (Yes / No).

iii) Are any court case/s pending against the proposed Managing Partner (Yes / No).

iv) Has ever been / is a member of any other Commodity / Stock Exchange - (Yes / No), if yes, give details.

V) Has any disciplinary action taken by any commodity / stock exchange against him/ her or the trading member in which he/ she held the offices of a director and which had been a member of a commodity / stock exchange If so, please given details in a separate sheet (Yes / No).

Vi) Has ever been adjudged bankrupt or have any receiving order been made against them or have been proved to be insolvent at any time (Yes / No).

Vii) Has ever been involved in litigations, suits or proceedings connected with Commodity Market, Capital Market and economic offences or have been involved in any financial liability of contingent or unascertained nature (Yes / No).

Viii) Has ever been at any time convicted of any offence (including economic offences) involving fraud or dishonesty or financial irregularities or any warning censor or any penalty has been imposed by Regulatory agencies such as SEBI, RBI, Department of Company Affairs nor any other such Regulatory body (Yes / No).

ix) Have ever been at any time denied / rejected for membership of any Commodity / Stock Exchange or commercial organization (Yes / No).

X) Whether held the offices of the Director in any company which had been a member of a Commodity / Stock Exchange and which has been ever been suspended / expelled / declared a defaulter on any other commodity / stock exchange or commercial organization and whether any economic offence or any warning censor or any penalty has been imposed by any Regulatory agencies such as SEBI, RBI, Department of Company affairs nor any other such Regulatory body against such company (Yes / No).

Xi) Have ever been engaged as principal or employee in any business other than that of securities (Yes / No).

Xii) Have ever been pronounced guilty of a criminal offence involving moral turpitude (Yes / No).

Xiii) Have you ever been associated with or a trading member of or subscriber to or a shareholder or debenture holder of any other commodity / stock exchange (Yes / No).

(Signature of existing Managing Partner
With rubber stamp of firm)

(Signature of new incoming Managing Partner
With rubber stamp of firm)

Xiv) Have you committed any act which may render you liable to be wound up (Yes / No).

Xv) Have you ever been suspended / expelled / declared defaulter on any other commodity / stock exchange or have been declared debarred from trading in commodities / securities by any Regulatory Authorities like FMC, RBI, SEBI etc. (Yes / No).

Xvi) Have you ever been had a provisional liquidator or receiver or official liquidator appointed by a competent courts against you (Yes / No).

We hereby declare that the undertakings for Trading cum Clearing Membership, Internet based Trading and VSAT submitted by the Member will continue to remain enforceable and binding after the change in Designated Director of the Company. We also confirm that the above stated undertakings have been read and understood by us.

I/We further declare that the information given above is true.

Yours faithfully,

For (Name of the Member)

(Signature of existing Managing Partner
With rubber stamp of firm)

(Signature of new incoming Managing Partner
With rubber stamp of firm)

Place:-

(Please sign and stamp on end of each page)

Format of Undertaking

(To be given by the Member on his letterhead and to be signed by existing Managing Partner as well as by the incoming Managing Partner under the rubber stamp of the company)

Date:

To,
Multi Commodity Exchange of India Ltd.
Membership Department,
Exchange Square, CTS No. 255,
Gundavali, Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093.

Dear Sir,

We hereby propose to appoint Mr. / Mrs. / Ms. _____
as a Managing Partner of our firm _____ (name of the member).

We are enclosing herewith current / existing sharing pattern of our company.

We hereby certify that this change in Managing Partner is not accompanied by / associated with a change in sharing pattern* / management* / control* / dominant promoter group (DPG)*.

Thanking you

Yours faithfully

(Signature of existing Managing Partner
With rubber stamp of firm)

(Signature of new incoming Managing Partner
With rubber stamp of firm)

Place:

*Strike out whichever is not applicable

(On Members Letter Head)

Date:

To,

Membership Department,
Multi Commodity Exchange of India Ltd.,
Exchange Square, CTS no.255,
Gundavali, Suren Road,
Chakala, Andheri – East,
Mumbai – 400 093

Dear Sir,

Subject: Submission of PAN details

This has reference to the circular no. MCX/478/2006 dated November 10, 2006. Please find the required details as under:

1. Name of the Trading Member: _____
2. Member ID: _____, Unique Member Code _____
3. PAN (Number): _____
4. Email Id: _____
- 5.

Names of Proprietor/ Partners/ Directors	Designation	PAN (Number)	Educational Qualifications	Email Id

6. If PAN details are not available, the reasons thereof: _____

_____ I / We attach herewith certified copies of PAN CARDS (both sides).

Yours faithfully,

For (Name of the Member)

(Authorised Signatory)

Name of the Authorised Signatory

Encl: Copies of PAN Cards

Format of Undertaking – Partnership Firm

(To be given by the Member on his letterhead and to be signed by the Managing Partners and put the rubber stamp of the firm)

Date:

To,

Membership Department
Multi Commodity Exchange of India Ltd.
102 A, Landmark, Suren Road,
Chakala, Andheri (East),
Mumbai - 400 093.

Dear Sir,

We have applied for the membership of the Multi Commodity Exchange of India Limited (MCX) in the name and style of “_____”.

I, _____(name of Managing Partner), Indian national, has been appointed as Managing Partner in the above stated membership of the MCX hereby confirms that I do not have any interests in any other membership of the MCX and I am not Proprietor / Karta / Managing Partner / Designated Director in any other membership of the MCX.

Further I / We confirm that I / We satisfies the eligibility criteria in terms of provisions of the Rules, Bye-Laws, Business Rules and Circulars issued from time to time if any of the MCX.

I / We declare that the information given above is true.

Yours faithfully,

For (Name of the Member)

Signature of the Managing Partner

Name:

(Rubber Stamp)

Place:-

(ON FIRM'S LETTER HEAD)
(UNDERTAKING FROM ALL PARTNERS AUTHORIZING THE MANAGING PARTNER (FOR PARTNERSHIP FIRM))

To
 Multi Commodity Exchange of India Limited
 Exchange Square, CTS no.255,
 Gundavali, Suren Road, Chakala
 Andheri (East),
 Mumbai- 400093.

Dear Sir,

We hereby authorize Mr./Ms. _____ and Mr./Ms _____ to be the Managing Partner/s of the Firm for all matters related to Multi Commodity Exchange of India Ltd. (MCX).

Further, Mr./Ms. _____ AND /OR Mr./Ms. _____ of the firm are also authorized to sign jointly, singly or severally all documents / agreements on behalf of the firm for operations of Multi Commodity Exchange of India Ltd. (MCX).

Name of All Partners	Signature

Date:

Place:

Rubber stamp of the Firm

Networth Certificate Format

Certificate dated submitted by to MCX (For Corporates, Partnership Firms, Individuals, Sole Proprietor, Institutions, Co-operative Societies)

CERTIFICATE

This is to certify that the Net worth of M/s. /Mr. /Ms. as on is Rupees Only.

It is further certified that the computation of Net worth, based on my/ our scrutiny of the books of accounts, records and documents, is true and correct to the best of my / our knowledge and as per information provided to my / our satisfaction.

Place:

For (Name of Accounting Firm)

Date:

Name of Partner
Chartered Accountant
Membership Number

(Rubber stamp)

Composition of Net worth of the Members

The Members will have the option of computing their net worth as per any of the two methods given below. However, once a Member chooses one of the two given methods, he will have to continue to compute his net worth using the same method unless a change of method is specifically approved by the Exchange.

Method 1:

The net worth should be computed either as per the format given below:

Paid up Capital *	
Net worth calculated as follows:	
Paid up Capital	
Add: Reserve & Surplus (excluding revaluation reserves)	
Less: Accumulated losses if any -	
Less: Miscellaneous Expenditure -	
Total Net worth	

* Give details of capital issued after the date specified above.

Place:

For (Name of Accounting Firm)

Date:

Name of Partner
Chartered Accountant
Membership Number
(Rubberstamp)

OR

Method 2:

By valuation of assets on the following basis:

- A. Listed (Quoted) investments in the name of the applicant (at market value) (Detailed list to be enclosed)
- B. Margin of 30% on market value of listed (quoted) Investments
- C. Net value of listed Investments (A) – (B)
- D. Investments in unlisted (unquoted) companies (as per Note No. 2)
- E. Margin of 50% on (D)
- F. Net value of unlisted Investments (D) – (E)
- G. Other Investments (at cost) with PPF and NSC at current value, Statutory deposits with MCX, Deposits with registered NBFCs, Bank FDs
- H. Total Net Investments (C) + (F) + (G)
- I. Market Value of Land & Building component of the Fixed Assets (Full details of such assets like survey number, location, address, extent of land & building to be furnished)
- J. Margin on I at 50%
- K. Net value of such fixed assets (I – J).
- L. Debtors not exceeding 3 months + Cash & Bank balance
- M. Current Liabilities
- N. Long term liabilities
- O. Networth $(H + K + L) - (M + N)$

Place:

For (Name of Accounting Firm)

Date:

Name Of Partner
Chartered Accountant
Membership Number
(Rubberstamp)

Notes:

1. Valuation of fixed assets for the consideration of net worth would have to be certified by government approved valuers which should not be more than 2 years old. Only those items of land & building that are in the name of the member as well as in the possession of the member shall be included under the head (I) - Land & Building component of the Fixed Assets. Those properties that are leased out by the member or taken on lease shall not be included for computation of net worth. Fixed Assets other than Land & Building shall not be included for the purpose of computation of net worth.
2. Valuation of unlisted investments would be at "fair value" of the said investment, i.e. the average of the "break up value" and the "earning value". For this purpose: -

- a) The “break up value” means the equity capital and reserves as reduced by intangible assets and revaluation reserves, divided by the number of equity shares of the investee company.
 - b) The “earning value” means the value of an equity share computed by taking the average of profits after tax as reduced by the preference dividend and adjusted for extra-ordinary and non-recurring items, for the immediately preceding three years and further divided by the number of equity shares of the investee company and capitalised at the following rate:
 - In case of predominantly manufacturing company, eight percent;
 - In case of predominantly trading company, ten percent; and
 - In case of any other company, including an NBFC, twelve percent;
 - If, an investee company is a loss making company, the earning value will be taken at zero. (For e.g. earning value for an NBFC with capitalization rate of 12%, is earning per share multiplied by 100/12)
3. Details of items comprising investments, current assets, current liabilities and long term liabilities should be given separately.
 4. Current assets should exclude loans to related entities, bad and doubtful debts and debts outstanding for more than 3 months, advance against capital assets, pledged securities / assets, prepaid expenses and also intangible assets.
 5. Debtors should be distinguished as debtors arising from commodity operations and others.
 6. Value of membership card / Deposits with any other Stock / Commodity Exchange are to be excluded for the purpose of computation of net worth.
 7. Advance / Investment with or debts due from persons / entities notified under Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992 are to be excluded for the purpose of computation of net worth.