

## MEMBERSHIP DOCUMENTATION (FOR PROPRIETOR)

### CHECKLIST OF MCX STOCK EXCHANGE LIMITED FOR TM /TCM

Sr. No.	Particulars	Compliance (Yes / No)
1	MCX-SX Application Form	
2	Demand Draft/Pay order drawn in favour of "MCX Stock Exchange Limited" payable at Mumbai towards membership fees and deposits	
3	Certified Xerox copy of Age, PAN, Education, Experience of Proprietor	
4	Certified copy of Balance Sheet	
5	Payment by Demand Draft / Pay Order in favour of "Securities and Exchange Board of India" payable at Mumbai for Rs.50,000/- as registration fees for Clearing membership of currency derivatives segment of a stock exchange/clearing house	
6	2 –NISM Currency Derivative module Certificates in respect of two operators (Passed and valid) - (certified true copies with validity of at least next 6 months)	
7	In case of existing member, Proof and Confirmation whether fees are paid (as on end of the month): 1. under revised Schedule III/Schedule III A (if opted) for cash segment 2. under revised Schedule IV for Currency futures segment. The same is not required in case of new member.	
8	Certificate of net worth and computation as per SEBI Regulations (Not more than 6 months old) <b>(two sets required, one for Exchange &amp; one for SEBI - refer Annexure A for format)</b>	
9	Details of Proprietor <b>(two sets required, one for Exchange &amp; one for SEBI - refer Annexure B for format)</b>	
10	Proprietor Undertaking <b>(two sets required, one for Exchange &amp; one for SEBI - refer Annexure C for format)</b>	
11	Undertaking <b>(two sets required, one for Exchange &amp; one for SEBI - refer Annexure D for format)</b>	
12	Covering letter of the member enclosing list of documents/details/DD etc <b>( refer Annexure E for format)</b>	
13	FORM - AB (for Trading membership - <b>refer Annexure F for format</b> ) FORM - AB (for Clearing membership - <b>refer Annexure F for format</b> ) (All columns should be duly filled. In case of multiple membership, please write SEBI Registration, Name of Exchange and number in Column 13).	
14	Clearing Member confirmation <b>(refer Annexure G for format)</b>	
15	Infrastructure Undertaking <b>(refer Annexure H for format)</b>	

**ANNEXURE A**

**NETWORTH CERTIFICATE**

Submitted by \_\_\_\_\_ to MCX Stock  
Exchange Limited / MCX-SX Clearing Corporation Limited

**CERTIFICATE**

This is to certify that the Net worth of M/s. / Mr. / Ms. \_\_\_\_\_ as on  
\_\_\_\_\_ as per the statement of computation of even date annexed to this report is  
Rupees \_\_\_\_\_ only

We further certify that:

- M/s/ Mr. / Ms. \_\_\_\_\_ is not engaged in any fund-based activities or business other than that of securities/currency derivatives. Fund based assets, if any, have been divested from the books of accounts and have not been included for the purpose of calculation of network.
- The computation of network 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.
- The computation of network is in accordance with the method of computation prescribed by Dr. L C Gupta Committee.

Place:

For (Name of Accounting Firm)

Date:

Name of Partner/Proprietor  
Chartered Accountant  
Membership Number  
Rubber Stamp

### **COMPUTATION OF NET WORTH**

The method of computation of Networth as prescribed by Dr. L.C. Gupta Committee on Derivatives is as follows

Capital + Free Reserves

Less Non-allowable assets viz.,

- (a) Fixed Assets
- (b) Pledged Securities
- (c) Value of Member's card
- (d) Non-allowable securities (unlisted securities),
- (e) Bad deliveries
- (f) Doubtful Debts and Advances (Including debts or advances overdue for more than three months or debts or advances given to associates)
- (g) Prepaid expenses, losses
- (h) Intangible Assets
- (i) 30% of Marketable securities

Place:

For (Name of Accounting Firm)

Date:

Signature and Name of the Partner /  
Proprietor  
Chartered Accountant  
Membership Number  
Rubber stamp

**ANNEXURE B**

**DETAILS OF PROPRIETOR**  
**(On letter-head of applicant)**

Certificate dated \_\_\_\_\_  
Submitted by \_\_\_\_\_ (applicant) to  
MCX Stock Exchange Limited

**DETAILS OF PROPRIETOR AS ON \_\_\_\_\_**

Sr No	Name \$	Fathers Name \$	Designation	Date of Birth	Education	PAN Number	Residential Address & Telephone/ Mobile Nos./ Email ID/ Fax No. .	Designate directors (Yes/No) *	Share holding *			Directorships/ controlling shareholding in other cos.
									No.	Amt	% of total	
1												
2												
3												
4												

**NOTES :**

- \* Not applicable to members who are individuals
- \$ All initials to be expanded

Date:  
Place:  
Trade Name of Proprietor  
Name of Proprietor  
Signature of Proprietor  
Rubber Stamp

**CERTIFICATE**

This is to certify that the details of proprietor, Mr./Ms. \_\_\_\_\_ as given above 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/Proprietor  
Chartered Accountant  
Membership Number  
Rubber Stamp

**ANNEXURE C**

**UNDERTAKING WITH RESPECT TO PROPRIETOR**  
**(On letter-head of Chartered Accountant)**

PART 1

**TO WHOMSOEVER IT MAY CONCERN**

(To be certified by a practicing chartered accountant/ practicing company secretary)

This is with reference to the application of Mr./Ms \_\_\_\_\_ (applicant) for seeking provisional membership of the Exchange and subsequent application for registration of application with SEBI in Currency Derivatives segment.

Based on the information, explanation and documents given to us, we state that the proprietor Mr./Ms \_\_\_\_\_ meets the eligibility requirements as prescribed in Securities Contracts (Regulation) Rules, 1957 (Rule 8(4A) and other relevant provisions) and SEBI (Stock Brokers & Sub-brokers) Regulations, 1992.

This confirmation has been issued on the request of the applicant for submitting to MCX Stock Exchange Limited /SEBI.

Date:

For (Name of Accounting Firm)

Place:

Name of the Partner /Proprietor  
Chartered Accountant  
Membership Number  
Rubber Stamp

**ANNEXURE D**

**UNDERTAKING**

**(On letter-head of applicant)**

I, Mr. / Ms. \_\_\_\_\_ hereby confirm that I meet the eligibility requirements as prescribed in Securities Contracts (Regulation) Rules, 1957 (Rule 8(4A) and other relevant provisions) and SEBI (Stock Brokers & Sub-brokers) Regulations, 1992.

I undertake to ensure that till the time I am registered as a member of the Exchange, I will continue to meet the eligibility requirements as per Securities Contracts (Regulation) Rules, 1957 and SEBI (Stock Brokers & Sub-brokers) Regulations, 1992.

I, Mr. / Ms. \_\_\_\_\_ hereby declare that I have not, at any point, introduced any fake / forged/ stolen shares in the market.

I, Mr. / Ms. \_\_\_\_\_, hereby declare that I have neither been declared defaulters by any Exchange in India/ by SEBI, nor am I related or associated with any other entity/person that have been declared defaulters by any Stock Exchange in India/SEBI.

I further declare that no enquiry/investigation has been initiated/pending against me by any Stock Exchange/SEBI.

Date:

Place:

(Name & Signature of Proprietor)

Rubber Stamp

**Annexure E**

**Format of Member Covering Letter**

(On the letterhead of Applicant)

Date: \_\_\_\_\_

To,  
The Managing Director,  
**MCX Stock Exchange Limited**  
Mumbai

Dear Sir,

Subject: Application for approval of membership with MCX Stock Exchange Limited (MCX-SX) and Currency Derivatives Segment Registration.

I/We am/are interested to become the Trading Member/Trading Cum Clearing Member/ Professional Clearing Member, of MCX Stock Exchange Ltd. And forward herewith application form along with documents for approval of membership with MCX Stock Exchange Limited and registration of Membership with SEBI.

Kindly arrange to approve our application for the aforesaid membership and submit our application to SEBI for registration.

I/We undertake to confirm to and to abide by the Rules, Bye-Laws, Business-Rules, Regulations, Circulars, Notifications and office orders issued by the Exchange/SEBI from time to time.

Thanking You.

Yours faithfully,  
For (Name of Member)

Trade Name of the Proprietor

Name of the Proprietor

Signature of the Proprietor

Rubber stamp

## **ANNEXURE F**

### **"FORM AB"**

*SECURITIES AND EXCHANGE BOARD OF INDIA  
(STOCK BROKERS AND SUB-BROKERS) REGULATIONS, 1992  
(REGULATION 16J)*

*APPLICATION FORM FOR REGISTRATION AS A TRADING AND/OR  
A CLEARING MEMBER OF CURRENCY DERIVATIVES SEGMENT OF A STOCK  
EXCHANGE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA*

- 1. Name of the Currency Derivatives Segment of a Stock Exchange/Clearing Corporation/Clearing House of which the applicant is the member. Please furnish the tenure of membership.*
  
- 2. Name of the Member with Code No.*
  
- 3. Whether the applicant is to act as Trading member and/or Clearing member.*
  
- 4. If the applicant is to act as Trading member, the applicant is required to furnish the name and details of the Clearing member, through whom he intends to clear and settle his trade*
  
- 5. Address of the Member*
  
- 6. Trade Name of Member*
  
- 7. Form of Organisation: Sole proprietorship/Partnership/Corporate body/Financial institution  
(Please give names of proprietor/partners/directors).*
  
- 8. Please furnish a copy of Memorandum and Articles of Association or the Partnership Deed, as the case may be.*
  
- 9. Educational Qualifications of proprietor/partners/directors, etc.*

10. *Whether the applicant or its sales personnel or approved user has passed any certification programme? If so, please specify the detail.*
11. *The experience of the applicant or their two directors or partners in Currency derivatives trading or securities market, if so, please give details.*
12. *Date of admission to membership to Currency derivatives segment of a Stock Exchange/Clearing Corporation/Clearing House.*
13. *Whether a member of more than one Exchange or Currency derivatives segment of a stock exchange or clearing corporation or clearing house of any segment? If so, please give name(s) of the Clearing Corporation/clearing house, or any Stock Exchange(s) with code number(s)?*
14. *Networth of the applicant. Please furnish details along with necessary documents in support thereof.*
15. *Whether the applicant or its director or partners, any time convicted of any economic offence? If so, please furnish the details?*
16. *Whether the applicant or its directors or partners, declared insolvent/bankrupt or declared defaulter by any Exchange? If so, please furnish details?*
17. *Whether the applicant or its directors or partners at anytime subjected to any proceedings or penalty by the Board under SEBI Act or any of the regulations framed under the SEBI Act? If so, please furnish the details.*
18. *Indicate fax, telex and phone number(s).*
19. *Whether the application is accompanied by a requisite fee as per Schedule IVA of the Regulations as applicable to the applicant.*

*I declare that the information given in this form is true and in the event of any information furnished is false, misleading or suppression of facts, my certificate of registration is liable to be cancelled by SEBI without assigning any reasons whatsoever.*

*Dated:*

*Signature:*

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*Recommendation of the Currency derivatives segment of a StockExchange, clearing corporation/House*

*This is to certify that \_\_\_\_\_ is a member of this Currency Derivatives Segment or Clearing Corporation or Clearing House and is recommended for registration with the Securities and Exchange Board of India.*

*Signature :*

*Name :*

*Designation :*

**ANNEXURE**

**ADDITIONAL INFORMATION TO BE SUBMITTED AT THE TIME OF REGISTRATION OF APPLICANT WITH SEBI**

1. Name of the Stock Exchange

2. a) Name of the Applicant Member Broker

b) Exchange Clearing Code No. (If allotted by the Stock Exchange)

3. Trade Name of Member

4. Address of Member

Tel. No. (O)

Tel. No. (R)

Fax No.

5. Form of Organisation: Please tick the relevant entity

a) Sole Proprietorship       b) Partnership

c) Corporate Body      I) Financial Institution

   II) Others

   III) Foreign Joint Ventures

(If an Indian Company is holding more than 25% of total equity in the joint venture, please give details of top five shareholders of Indian Company).

Name of Indian Company	
Top five shareholders	% Holding
1.	
2.	
3.	
4.	
5.	
FIPB Approval, if applicable	

6.A) Sole Proprietorship:

Name of Proprietor	Educational Qualification	Age (on the date of filing of application)	Experience (specify the nature and years)

B) Partnership :

Name of Partners	Age (on the date of filing of application)	Educational Qualification	Experience (specify the nature & years)	In case of Partner(s) is/are registered with SEBI, give SEBI Reg. No.

C) Corporate Body (Financial Institution/Others):

i) MOA Object Clause contains stock broking as one of the object in

- a) Main Object
- b) Other Object
- c) Incidental Object

(If stock broking clause appears in other object, please attach a copy of special resolution to amend the MOA to incorporate Stock Broking in main object clause)

ii) Mention relevant Clause No.

(Please enclose copy of the relevant clause of the MOA duly certified by the Stock Exchange. If certified copy is not enclosed, application would be returned).

iii) Information regarding directors:

Name of directors with Designation (whether whole-time/designated/additional)	Percentage of Share holding	Educational Qualification	Experience (specify nature and years)	Whether directors in other corporate bodies engaged in capital markets (please give names and SEBI Reg. No.)

iv) Details of top five shareholders:

Name of Share holders	Percentage of Share holding	Educational Qualification	Experience (specify nature and years)	Whether Share holders in other corporate bodies engaged in capital markets (please give names and SEBI Reg. No.)

7. a) Date of admission to Membership of the Stock Exchange

b) Mode of Acquiring Membership

(Please attach old SEBI Regn. Certificate in all cases other than the case of new membership)

i) New Membership

ii) Conversion

iii) Succession

iv) Auction Purchase

(In case member has become defaulter)

v) Market Purchase

vi) Transfer of another company under same management (please specify reasons)

vii) Others

Please specify

c) Please give the following information in all the cases other than the case of new membership

i) Name of the previous holder of the card

ii) SEBI Regn. No.

iii) Date of Regn. No.

d) Whether applicant is member of more than one Stock Exchange?

YES

NO

e) If yes, please give name(s) of the stock exchange(s) with Code No. and SEBI Regn. No.

Name of Exchange(s)

SEBI Regn. No.

8.a) Whether any of the Associate Companies/Partnership/Proprietorship Firm is/are having direct/indirect interest (\*as defined below) in capital market

YES

NO

\* The member is deemed to have direct/indirect interest in the following conditions:

- i) Where he is individual, he or any of his relative being a broker/any intermediary, he or any of his relative being a partner in a broking firm/any intermediary, he or any of his relative being a director in a broking company/any intermediary or he or any of his relative clubbed together holding substantial equity in any broking company/any intermediary engaged in capital market.
- ii) Where it is partnership firm/company, the relative(s) of partner(s)/director(s) in the firm(s)/corporate body being a broker/any intermediary or being partners(s)/director(s) in any broking/intermediary engaged in capital market.
- iii) Relative shall mean husband, wife, brother, unmarried sister or any linear ascendant or descendant of any individual.

b) If yes, please give details (you may attach separate sheet, if required)

Name	Form of Organisation	Type of Intermediary #	Whether registered with SEBI (give Reg. No.)	Nature of interest

# Merchant Banker, Portfolio Manager, Registrar to Issue & Share Transfer Agent, Banker to an Issue, Mutual Fund, Venture Capital, Underwriter, Debenture Trustee, FII.

9. Disciplinary Action initiated/taken against the Associate entities, as indicated in 8(b) above. (Please state details of nature of violation, action initiated/taken and by which authority)

a) Disciplinary action taken by SEBI (If yes, please attach details mentioning nature of violation and action taken)

YES  NO

b) Disciplinary action taken by any other authority (Please attach details of nature of violation and action initiated)

YES  NO

c) Disciplinary action initiated by SEBI (If Yes, please attach details of nature of violation and action initiated)

YES  NO

d) Disciplinary action initiated by any other authority (please attach details of nature of violation and action initiated)

YES  NO

10. a) Net-worth as per the requirement of the Exchange (Rs. In Lakhs)

b) Applicant's net-worth in accordance with formula  
 Prescribed by concerned stock exchange (Rs. in Lakhs)   
 (Certificate from a qualified C.A. certifying the above should be enclosed)

c) Please indicate the net-worth as per the following formula (Rs. in lakhs)

- i) Paid up capital
- ii) Free Reserves (Exclusive of Revaluation Reserves)
- iii) Less: Misc. Expenditure not written off

Total Net-worth (i+ii-iii)

I/We declare that the information given in this form is true to the best of my knowledge and belief.

Date :

Signature  
Name and address of the applicant

List of Enclosures:

1. Registration fees – DD of Rs.50,000/- (DD No. \_\_\_\_\_ dated \_\_\_\_\_, drawn on \_\_\_\_\_ Bank, in favour of “Securities and Exchange Board of India) (Applicable only in case of TCM & PCM)
2. Copy of relevant clause of MOA duly certified by the stock exchange.
3. Certificate from the qualified Chartered Accountant certifying the networth and paid up capital
4. Undertaking by applicant that he/it had not introduced through any member broker/ sub-broker of the Exchange any fake/forged/stolen shares in the Exchange/market. If yes, details thereof including action taken, if any, by the applicant.

**Certification of the Exchange**

The above details have been scrutinized as per record made available to the stock exchange.

**SIGNATURE** :  
**NAME** :  
**DESIGNATION** :  
**SEAL OF STOCK EXCHANGE** :

**ANNEXURE G**

**Format of Clearing Member Confirmation**

(On the letterhead of the Clearing Member)

Date: \_\_\_\_\_

To,

The Membership department  
**MCX Stock Exchange Limited**  
Mumbai

Dear Sir,

We hereby agree and undertake to act as a Professional Clearing Member on the Currency Derivatives Segment of MCX Stock Exchange limited to clear the trades of the below mentioned Trading Member, subject to due diligence and subsequent approval by the Exchange.

Name of Trading member: \_\_\_\_\_

Thanking You.

Yours faithfully,  
For (Name of the Professional Clearing Member)

Authorised Signatory  
(Designated Director)

Authorised Signatory  
(Designated Director)

Rubber Stamp

## Annexure H

### Infrastructure Undertaking *(on the letterhead of the Applicant)*

I/ We hereby declare the following:-

I/ We have the necessary infrastructure like adequate office place, equipment and manpower to effectively undertake our activities as member of Currency Derivative segment of MCX Stock Exchange Ltd.

Below mentioned are the basic infrastructure requirements that we own / have taken on rent/ leave and licence /lease for trading in Currency Derivatives of MCX-Stock Exchange.

<b>S No.</b>	<b>PARTICULARS</b>	<b>DETAILS</b>
1	Name of Company	
2	Address	
3	Telephone Numbers	
4	Fax Numbers	
5	Office Premises Description	(office space in sq ft)
6	Particulars of office Premises	Is the office Premises owned / taken on rent/ leave and licence/lease – please specify clearly
7	Office address (es)	
8	Other Assets	Details of Fixtures & Furniture or any other related movable assets (Also specify clearly whether owned / taken on rent / leave and licence/ lease )
9	No. of Computers	(owned / taken on rent/ leave and licence/ lease – please specify clearly
10	Back Office	Proposed from / (name of the vendor)
11	No. of Employees	

I / We confirm that the above stated facts and details are true and correct and I / We have not misrepresented and / or concealed /suppressed any material facts in this regard.

I / We also confirm that in the event of any false / incorrect particulars furnished by me/ us or any misrepresentation of facts / suppression /concealment of facts by us, our application for membership may be rejected / our membership registration may be cancelled and penal action may be taken against us.

For \_\_\_\_\_ (stamp of applicant)

For \_\_\_\_\_ (stamp of applicant)

Name and signature of Designated  
Director /Designated Partner/Proprietor

Name and signature of Designated  
Director /Designated Partner

Date :-

Place :-

## Annexure I

### Format of confirmation letter by applicant regarding Membership of their associates / sister concerns / group concerns on Recognized Commodity Exchanges

(on the letterhead of the applicant)

The Membership department  
MCX Stock Exchange Limited  
Exchange Square, CTS No. 255,  
Suren Road, Andheri (East),  
Mumbai - 400 093

Dear Sir,

I hereby confirm that our associates / group companies / sister concerns are members of the following recognized Commodity Exchanges.

Sr No	Name of the associate /group company /sister concern	Pl specify the relationship with applicant (whether associate /group company /sister concern / any other manner of being related to the applicant )	Constitution	Name of the recognized commodity Exchange	Reg No	Mem ID	Regn Date

The details of shareholding / sharing pattern and details of directors /partners of the above mentioned associates / group companies /sister concerns is given in the Annexure.

I confirm that the above stated facts and details are true and correct and We have not misrepresented and / or concealed /suppressed any material facts in this regard.

We also confirm that in the event of any false / incorrect particulars furnished by me/ us or any misrepresentation of facts / suppression /concealment of facts by us, our application for membership may be rejected / our membership registration may be cancelled and penal action may be taken against us.

For \_\_\_\_\_ (Trade name of applicant)

Name and signature of Proprietor

Date :-

Place :-

## ANNEXURE J

**Format of confirmation letter by applicant in respect of membership of other stock exchanges /  
recognized commodity exchanges**  
(on the letterhead of the applicant)

To,

Membership Department  
MCX Stock Exchange Limited  
2<sup>nd</sup> Floor, A Wing,  
CTS No.255, Suren Road  
Chakala, Andheri (East)  
Mumbai 400 093

Dear Sir,

I hereby confirm that

- I am not Members of any recognized Commodity exchange in India.#
- I am not Members of any Stock Exchanges in India #
- I am Members of the following Stock / Commodity Exchanges in India #

Name of the Exchange	Segment	Registration No.	Mem ID	Regn. Date

I confirm that the above stated facts and details are true and correct and I have not misrepresented and / or concealed /suppressed any material facts in this regard.

I also confirm that in the event of any false / incorrect particulars furnished by me or any misrepresentation of facts / suppression /concealment of facts by me, my application for membership may be rejected / my membership registration may be cancelled and penal action may be taken against me.

For \_\_\_\_\_ (Trade name of applicant)

Name and signature of Proprietor

Date:-

Place:-

**# please Strike out whichever is not applicable**