

**INVITATION FOR APPLICATIONS FOR PROFESSIONAL CLEARING MEMBERSHIP OF
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LTD**

National Commodity & Derivatives Exchange Limited (NCDEX) is promoted by ICICI Bank Limited, Life Insurance Corporation of India (LIC), National Bank for Agriculture and Rural Development (NABARD) and National Stock Exchange of India Limited (NSEIL). NCDEX has been set up to provide on line platform for trading facilities in commodities and their derivatives. It is an important step in upgrading trading facilities and bringing the Indian commodity markets in line with the international markets.

NCDEX invites applications for Professional Clearing Membership (PCMs) from persons who fulfill eligibility criteria contained herein. The PCM membership shall entitle the Members to clear trades executed through Trading cum Clearing Members (TCMs), both for themselves and / or on behalf of their clients

The words “Member” and “Applicant” used hereinafter refer and apply to PCMs.

The Applicants who are admitted, as Members shall adhere to the conditions, stipulations and guidelines communicated to them / notified from time to time by NCDEX and / or Forward Markets Commission (FMC) and / or any other Indian regulatory / statutory authorities.

1. CRITERIA FOR ADMISSION AS PROFESSIONAL CLEARING MEMBER ON NCDEX

A. ELIGIBILITY

The following persons are eligible to become PCMs subject to the provisions of Forward Contracts (Regulation) Act, 1952, the rules, circulars, notifications, guidelines, etc., prescribed thereunder and any other Indian law in force and the Byelaws, Rules and Regulations of NCDEX: -

- (a) Companies, Corporations or institutions incorporated under Companies Act, 1956 or under any central or state legislation and are permitted under their Memorandum of Association or applicable constitution document for engaging in clearing and settlement of trades in derivatives and spot markets in commodities / equities markets. The Applicants in the process of amending their Memorandum of Association or their constitution document to include the activities mentioned above as permitted activities, may also apply. However, their membership will be effective only upon completion of the aforesaid process to the satisfaction of NCDEX.
- (b) Such other persons / entities as may be permitted under the Forward Contracts (Regulation) Act, 1952 and NCDEX

No person shall be admitted as a Member if

- (a) he is less than 21 years of age
- (b) he is not at least a graduate or having an equivalent qualification
- (c) he has been adjudged bankrupt or a receiver order in bankruptcy has been made against him or he has been proved to be insolvent even though he has obtained his final discharge;
- (d) he has been convicted of an offence involving a fraud or dishonesty or any crime of similar nature;
- (e) he has been debarred from trading / clearing in commodities by any regulatory authority such as FMC, SEBI, RBI etc;
- (f) he has been previously refused admission to membership by NCDEX unless the period of one year has elapsed since the date of such rejection;
- (g) he incurs such disqualification under the provisions of the Forward Contracts (Regulation) Act, 1952 or Rules made thereunder so as to disentitle such persons from seeking membership of commodity exchanges;
- (h) NCDEX determines that it is not in public interest to admit him as a member on NCDEX

provided that:

- 1) In case of body corporates, companies and institutions, all the directors fulfill the eligibility criteria stated above except (b) provided one of the directors fulfill the criteria stipulated in (b) above.
- (i) it is a body corporate or a company which has committed any act which renders it liable to be wound up under the provisions of the law;
- (j) it is a body corporate or a company in respect of which a provisional liquidator or receiver or official liquidator has been appointed by a competent court;
- (k) it does not possess a minimum net worth inclusive of deposit placed with NCDEX as prescribed herein or from time to time.

B. ADDITIONAL EDUCATIONAL REQUIREMENTS FOR PROFESSIONAL CLEARING MEMBERS

NCDEX may require the Applicants or one of their employees / directors to pass a certification programme, as stipulated by NCDEX and in the event of failure of the Applicant to comply with this requirement, NCDEX may take action as deemed appropriate including suspension of clearing rights. NCDEX reserves the right to expand / modify the scope of its educational and certification requirements.

C. FINANCIAL SOUNDNESS

An Applicant must possess a minimum net worth as prescribed by NCDEX which may be increased or decreased by NCDEX at its absolute discretion at any time including after granting membership to the Applicant. The net worth for this purpose should be calculated as per the method stipulated in Annexure C-1.

Preference however will be given to Corporates / institutions with:

(i) Well established dealing offices with a well dispersed client network and having experience in settlement and clearing functions in securities or commodities markets

(ii) Higher net worth.

D. FEE / DEPOSIT STRUCTURE AND NETWORTH REQUIREMENT

Applicants accepted for admission will be required to pay the following fee / deposits and also maintain net worth as given below:

(Rupees. in Lakhs)

| Sr. No. | Particulars | NCDEX: PCM |
|---------|--|--------------------------------|
| 1 | Interest Free Cash Security Deposit | 25.00 |
| 2 | Collateral Security Deposit | 25.00 |
| 3 | Annual Subscription Charges | 1.00 |
| 4 | Advance Minimum Transaction Charges | 1.00 |
| 5 | Net worth Requirement | 5000.00 |
| 6 | Formula/ Methodology applicable for calculation of net worth | As given in the Annexure – C1A |

Deposit for setting up VSAT terminals and operating cost for the VSAT / lease line network will be levied separately as per the policy prevailing from time to time.

An Applicant must be in a position to pay the membership and other fees, deposits etc, as applicable at the time of admission, within one month of intimation to him of admission as a Member or as per the time schedule specified by NCDEX. The security deposits will be included while determining the net worth of the PCM and would, subject to Bye Laws/rules and regulations of NCDEX, be refunded to the PCM upon surrender of membership provided that a minimum period of 3 years have elapsed since placing the deposits.

2. MISCELLANEOUS

A. INFRASTRUCTURE

NCDEX may specify such standards for investor service and infrastructure with regard to any category of Members, as it may deem necessary, from time to time. This may include infrastructure like office premises, V-sat, and / or other communication equipment etc. It is recommended that the Applicant should have an office space of at least 500 sq.ft, exclusively for NCDEX operations.

B. ADMISSION PROCEDURE

The admission procedure shall consist of appraisal of valid applications and other documents annexed thereto and interview by a membership committee constituted by NCDEX for this purpose. Based on the performance of the applicant in the interview and fulfillment of other eligibility criteria, the membership committee shall recommend for the selection of PCMs on NCDEX. The final acceptance / rejection of any membership / recommendation for membership by the membership committee shall be at the absolute discretion of Managing Director of NCDEX and the decision of the Managing Director shall be final and binding. No correspondence shall be entertained in respect of any such decision.

C. SUBMISSION OF APPLICATION FORM

Eligible Applicants are required to submit applications for PCM of NCDEX as prescribed in the Annexures herein.

Eligible applicants are required to submit their applications in the format prescribed in the Annexure hereto, complete in all respects, along with all relevant documents and accompanied by non refundable amount of Rs. 2000/- (Rupees Two Thousand only) by demand draft / pay order drawn in favour of “National Commodity & Derivatives Exchange Limited”, payable at Mumbai. Incomplete applications and multiple applications are liable to be rejected. The application along with relevant documents and the demand draft / pay order must be submitted at any of the following offices of NCDEX latest by **5 p.m. on October 15, 2003**:

| Address | Contact Persons |
|---|--|
| National Commodity & Derivatives Exchange Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex (BKC); Bandra (E) Mumbai. Tel. No. 22 - 56406789 Fax. No.22 - 56406899 www.ncdex.com | Shri Narendra Gupta Ms. Meher Baburaj |

Notwithstanding anything contained herein, NCDEX shall have absolute discretion and right to extend the last date of submission of application, reopen the membership at a later date, relax, vary, change, add to and delete any or all of the eligibility criteria for Application / Membership for any applicant or its directors or employees. Further, the number of members to be admitted is at the sole discretion of NCDEX.

Membership has been invited pending final recognition from the Forward Markets Commission(FMC). Therefore, membership is subject to final approval to be received from FMC.

CHECKLIST

Along with the completed application form (Annexure A1), kindly attach the following documents,

Annexures

- Certificate (Annexure – B1)
- Certificate of net worth (Annexure – C1)
- Details of stock / commodity exchange membership other than NCDEX (Annexure – C2)
- Details of directors (Annexure – C3)
- Details of core dealers (Annexure – C4)
- Details of infrastructure / office (Annexure – C5)
- Details of shareholding pattern (Annexure – C6)
- Details of the stock exchange in which applicant company is listed (Annexure – C9) – only for listed corporates
- Five sets of summary sheets

Other documents

- Attested copies of Memorandum of articles & certificate of commencement of business for corporates / institutions
- Attested copy of the board resolution authorizing the application for membership – for corporates & institutions
- Attested copies of proof of age, education and experience of directors.
- Write up on client network (if any)
- Existing / proposed organization structure for dealing in commodity market
- Details of pending court cases, disciplinary action taken by any stock / commodity exchange / regulatory authorities, bankruptcy proceedings etc (if any)
- Copies of the Balance Sheet for last three financial years or since the time the applicant entity is constituted.
- Copies of the latest returns of Income Tax and Wealth tax along with proof of filing the same.
- Photographs of the signatories to be pasted on the application form
- Demand draft / Pay order payable at Mumbai for Rs. 2000/-
- Any other documents. Please specify _____

NCDEX reserves the right to call on any / all applicants to submit any further documents, any time during the membership registration process or thereafter. The Applicant / Member is required to submit the documents as required by NCDEX.

ANNEXURE-A1

NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED (NCDEX)

APPLICATION FORM FOR PROFESSIONAL CLEARING MEMBERSHIP OF NCDEX

- i) Please read the accompanying notes carefully before filling up the form.
- ii) Please attach all relevant documents along with this application.
- iii) Please use additional sheets to furnish information, wherever necessary.

1. NAME OF APPLICANT:

2. Constitution:

- CORPORATE - Pvt. Ltd.
- CORPORATE - Public Ltd – Listed
- CORPORATE - Public Ltd – Unlisted
- INSTITUTION

3. Date of Incorporation

4. Details of the Chief Executive:

Name : _____

Address : _____

City _____

Pin _____

Tel. _____ Mobile No. _____

Tlx. _____

Fax _____

Email ID _____

Contact Person's Name _____

Designation _____

(Please give details of the Chief Executive and all Directors of the board in Annexure C – 3, along with their detailed biodata)

5. (A) Name of the stock / commodity exchange(s) on which the applicant is a member.

- 1. _____
- 2. _____
- 3. _____
- 4. _____

(B) Name of the stock / commodity exchange/s on which any director is a member.

- 1. _____
- 2. _____
- 3. _____
- 4. _____

(Please provide details in Annexure C – 2. Preferably, submit conduct certificates from the respective stock / commodity exchanges for the director)

6. Registered Office : _____
Address _____
City _____
Pin _____
Tel. _____
Tlx. _____
Fax _____
Email ID _____
Contact Person's Name _____ Mobile No. _____
Designation _____

7. Address for : _____
Communication _____
City _____
Pin _____
Tel. _____
Tlx. _____
Fax _____
Email ID _____
Contact Person's Name _____ Mobile No. _____
Designation _____

8. Main Dealing : _____
Office Address _____
City _____
Pin _____
Tel. _____ Mobile No. _____
Tlx. _____
Fax _____
Email ID _____
Contact Person's Name _____
Designation _____
Usable carpet area of _____
The office (in sq.ft)

9. Are there any branch offices? (If yes, please give details of their telephone no, telex/fax, contact person's name, carpet area in a separate sheet.)

10. Details of the Chief Dealer :
Name : _____
Qualifications : _____
(Also submit complete details of all dealers in Annexure C-4)

11. Net worth of the Applicant in Rs. _____ Lakhs as on _____.
(The Net worth certificate has to be submitted in the format prescribed in Annexure C-1)

14. Are you an Income Tax assessee? YES / NO
If Yes, Please attach a copy of the latest IT Return with proof of filing.

15. Are you a Wealth Tax assessee? YES / NO

If Yes, Please attach a copy of the latest Wealth Tax Return with proof of filing

16. Details about availability of necessary infrastructure as per format prescribed in Annexure C-5.
17. Client Network:
(Please enclose a write-up about your client network in stock / commodity broking activities giving details of number of regular clients, their profile/category, geographical location, your income from stock / commodity broking activities in the respective locations, etc. for the last two years. Please attach proofs wherever possible)
18. Details of Proposed organisation structure for dealing in the Commodities Market.
19. Name and address of the bankers and the facilities availed from such banks.
20. Whether any court case/s are pending against:
 - A) the applicant /directors/staff YES / NO
 - B) the applicant, Directors/Promoters and staff who have been a promoter / principal / partner / director of any organisation in the past that has had any court case pending. YES / NO
21. Whether any of the applicant corporate/promoters /directors involved in any financial irregularities? YES / NO
22. Has any disciplinary action been taken by any stock / commodity exchange against the applicant or any of the promoters / directors / employees of the applicant? If so, please give details in a separate sheet? YES / NO
23. Please give full details of the applicant / promoters / directors / any of the core staff who will be dealing in the Commodities Segment:
 - (a) has/have ever been adjudged bankrupt or have a receiver order been made against them or have been proved to be insolvent at any time? YES/ NO
 - (b) has/have compounded with its creditors for less than full discharge of debts? YES / NO
 - (c) has/have ever been involved in litigations, suits or proceedings or have been involved in any financial liability of contingent or unascertained nature? YES / NO
 - (d) has/have ever been at any time convicted of an offence involving fraud or dishonesty or financial irregularities? YES / NO
 - (e) has/have ever been denied / rejected for membership of any stock / commodity exchange or commercial organisation? YES / NO
 - (f) has/have ever been suspended / expelled / declared a defaulter on any stock / commodity exchange or he has been debarred from trading / clearing in commodities by any Regulatory Authorities like RBI, SEBI, FMC, Registrar of co-operatives etc.? YES / NO
 - (g) has/have committed any act, which renders it liable to be wound-up? YES / NO

(h) has/have had a provisional liquidator or receiver or official liquidator appointed to it by a competent court? YES / NO

(If answers to question nos 20 - 23 are yes, please give complete details separately.)

24.Name of the Director/Dealer who will appear for the interview

_____ (fill-up the enclosed format)

Any misstatement or misrepresentation or suppression of facts in connection with this application for Professional Clearing Membership or breach of any undertaking or condition of admission to Professional Clearing Membership entails rejection of application or expulsion of the Professional Clearing Membership.

I/We hereby state that the above-mentioned particulars are true, correct and complete to the best of my/our knowledge and information. I / We also state that no relevant material fact has been suppressed.

Signed :

Name :

Designation :

Date :

Place :

Signed :

Name :

Designation :

Date :

Place :

Affix Passport size photograph of the Signatory

Affix Passport size photograph of the Signatory

APPLICATION TO BE SIGNED BY:

Managing Director/Whole Time Director and:

any other director authorised by the Board. (submit certified true copy of the relevant Board resolution)

ANNEXURE-B1
FORMAT OF CERTIFICATE TO BE FURNISHED BY APPLICANT
ALONG WITH APPLICATION

From: The name and address of the Applicant

To:

The Managing Director,
National Commodity & Derivatives Exchange Limited
Exchange Plaza
C 1, Block G
Bandra East
Mumbai 400 051

Dear Sir,

1. The net worth of the M/S _____, the applicant, as on _____, computed and certified in the prescribed format as indicated in Annexure : C-1, is Rs. _____ lakhs (net worth should be indicated as on 31st March of last financial year or later).
2. We understand that our investments in any subsidiary / joint ventures shall be excluded while calculating our Net Worth and in case the same falls below the minimum Net Worth stipulated by NCDEX before or after granting of membership, NCDEX is free to take any action it deems fit, including termination of our membership
3. Details of membership(s) in any commodity exchange in the name of the company, its subsidiaries or any of the directors, are given in Annexure: C-2. It is further certified that none of these memberships has ever been suspended / expelled / penalised / declared defaulter or any other disciplinary action initiated there against by the concerned commodity exchanges or any other regulatory authority except as detailed in Annexure: C-2.
4. The company has employed / will employ two Core Dealers as detailed in Annexure: C-4. The dealers shall clear a Certification Programme on or before April 1, 2004.
5. Attested copies of Certificate of Incorporation, certificate of commencement of business, and Memorandum and Articles of Association of the company are enclosed. Copies of the audited Balance Sheets for last three financial years are also enclosed.
6. The share holding pattern of the company as on _____ is given in Annexure : C-6.
7. After _____ (date given in (6) above), there has been no change in the Board of Directors of the undersigned, nor is it likely to be effected due to any direct or indirect transfer of shares or other equity instruments in the share capital of the company or any direct or indirect transfer of shares or other equity instruments in the share capital of any one or more companies or bodies corporate holding any part of the paid up capital of the company.

(If any change has taken/likely to take place, please give complete details)

We undertake to keep NCDEX informed of any changes in the board of directors

8. In case the company is currently a private limited company and goes for a public issue, the Offer document / Prospectus shall be submitted to NCDEX for prior perusal, at least 21 days before opening of subscription list.

We hereby state that the information given above is true, correct and complete to the best of our knowledge and information. We also state that no relevant material fact has been suppressed. We agree that in the event of any of the above statements being found false, incorrect or incomplete, we recognise that NCDEX may take any action as it may deem fit, including termination of the membership. We also agree to provide NCDEX with all such documents as may be called for and be required by NCDEX from time to time.

We hereby undertake to inform NCDEX about any change in the above-mentioned facts within 15 days of the change taking place / coming to our knowledge, whichever is earlier.

Place:

Date:

** Signature(s)

**** TO BE SIGNED BY :**

Managing Director/Whole Time Director and :

- ◇ any other director authorised by the Board. (submit certified true copy of the relevant Board resolution)

**ANNEXURES TO THE CERTIFICATE TO BE FURNISHED ALONG WITH THE
APPLICATION**

C-1 : Certificate of Net worth, along with computation.

C-2 : Details of Stock / Commodities Exchange Memberships, other than NCDEX

C-3 : Details of Directors

C-4 : Details of Core Dealers.

C-5 : Details of Infrastructure.

C-6 : Share holding pattern of company / institution.

C-7 : Details of the Stock Exchanges in which applicant company is listed.

The applicant shall submit the Certificate of Net worth computed in accordance with the guideline given in the enclosed Annexure C-1. The Annexures C-1 and C-6 are to be certified by the Statutory Auditors.

Annexure : C-1
Certificate dated _____ submitted by _____ to NCDEX

CERTIFICATE

This is to certify that the Net worth of M/s _____ as on _____ as per the statement of computation of even date annexed to this certificate 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:
Date:

For (Name of Accounting Firm)

Name of Partner
Chartered Accountant
Membership Number

Annexure C – 1A.

Computation of Net worth of Professional Clearing Members as part of Membership Requirements

The PCM members are required to provide the Net worth Certificate as per the format provided in Annexure C – 1. The PCM membership applicants should compute their net worth by following a definition of net worth adopted by practicing chartered accountants for finalisation of accounts.

The PCM members have the option of calculating their net worth as per any of the two methods given below. However, once a PCM 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 NCDEX.

Notes: -

1. Details of items comprising investments, current assets, current liabilities and long term liabilities should be given separately.
2. 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.
3. Debtors should be distinguished as debtors arising from commodity operations and others.
4. Value of membership card / Deposits with any other Stock / Commodity Exchange are to be excluded for the purpose of computation of net worth.
5. Advance / Investment with or debts due from persons / entities notified under Special Court (Trial of Offences Relating to Transactions in commodities) Act, 1992 are to be excluded for the purpose of computation of net worth.

Annexure : C-2
Certificate dated _____
submitted by _____ to NCDEX

DETAILS OF STOCK / COMMODITY EXCHANGE MEMBERSHIPS

| <u>S.N</u> | <u>Name</u> | <u>Relation@</u> | <u>Stock /</u> <u>Commodit</u> <u>y</u> <u>Exchange</u> | <u>Since</u> | <u>Membership</u> <u>No.</u> | <u>Mode of</u> <u>acquisition</u> | <u>Remarks#</u> |
|------------|-------------|------------------|--|--------------|---------------------------------|--------------------------------------|-----------------|
|------------|-------------|------------------|--|--------------|---------------------------------|--------------------------------------|-----------------|

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Date:

Place:

Signature(s)

NOTES :

@ : Give details e.g. :

SELF for membership in the name of applicant company.

CHAIRMAN, WHOLE TIME DIRECTOR, DIRECTOR, SUBSIDIARY etc.

: For each of these memberships, give details of disciplinary action, if any, taken by the Stock / Commodity Exchange or any other regulatory authority in respect of these memberships with dates in the following format:

- Expulsion
- Suspension
- Default
- Any other disciplinary action or enquiry against the member

Annexure : C-3
Certificate dated _____
submitted by _____ to NCDEX

DETAILS OF DIRECTORS

| <u>S.N</u> | <u>Name</u> <u>Age</u> <u>Education</u> | <u>Designation</u> <u>, since @</u> | <u>Experienc</u> <u>e</u> <u>No. of</u> <u>years</u> <u>#</u> | <u>Share holding</u> <u>No.</u> <u>Amt</u> % age of <u>total</u> | <u>Directorships _____/</u> <u>controlling share holding</u> <u>in other cos / entities</u> |
|------------|---|--|---|--|---|
|------------|---|--|---|--|---|

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Date:

Place:

Signature(s)

NOTES :

@ : Chairman/ Managing Director/ Whole time Director/ Director

: Give details of experience in any activity related to stock / commodity broking, financial services, or other areas relevant to clearing operations. Such experience will include working as a dealer, in the back office or as a researcher with any individual or organisation operating in the commodities market. **Enclose certificates/ attested copies of proof of education, age and experience.**

CERTIFICATE

This is to certify that the Shareholding in _____ as given above, based on my/ our scrutiny of the books of accounts, records and documents is true and corrects 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

Annexure : C-4
Certificate dated _____
submitted by _____ to NCDEX

DETAILS OF CORE DEALERS

| Sr. No. | Name | Age | Qualification | Designation, Since | Previous Experience | |
|----------------|-------------|------------|----------------------|---------------------------|---------------------------------|---------------------|
| | | | | | Experience & years # | Organisation |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |

Date:

Place:

Signature(s)

NOTES:

Give separate details of experience as commodity / stock trader, broker, sub-broker, dealer, authorised assistant, badge holders working in any individual or organisation operating in the commodities / stock market, etc. and **enclose certificates/attested copies thereof for proof of education, age and experience.**

Annexure : C-5
Certificate dated _____
submitted by _____ to NCDEX

DETAILS OF INFRASTRUCTURE / OFFICE

MAIN DEALING OFFICE : _____,
ADDRESS : _____,
_____ ,

CITY : _____
STATE : _____
PIN : _____ .

TELEPHONE: _____

FAX : _____

TELEX : _____

Carpet area of office : _____ sq. feet

Ownership / Leased /

Others (specify) : _____

Contact Person / Authorised Signatory and designation :

OTHER OFFICE (S)

ADDRESS : _____,

_____ ,

CITY : _____
STATE : _____
PIN : _____ .

TELEPHONE : _____

FAX : _____

TELEX : _____

Carpet area of office : _____ sq. feet

Ownership / Leased /

Others (specify) : _____

Contact Person / Authorised Signatory and designation :

Annexure : C-6
Certificate dated _____
submitted by _____ to NCDEX

SHARE HOLDING PATTERN of _____ as on _____

| <u>Sr. no.</u> <u>total</u> | <u>Name #</u> | <u>Number of Shares held</u> | <u>Amt paid up</u> | <u>%age of</u> |
|--------------------------------|---------------|------------------------------|--------------------|-----------------------|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| 6. | | | | |
| 7. | | | | |
| 8. | | | | |
| 9. | | | | |
| 10. | | | | |
| Others @ | | | | |
| TOTAL | | ----- ===== | ----- ===== | 100 % ===== |

NOTES :

In case of

- ◇ body corporate, give similar details thereof separately.
- ◇ partnership firm, give names of all partners and the sharing pattern.

@ Persons holding 2% or more of the paid up capital should be shown separately and not clubbed in Others.

Date:

Place:

Signature(s)

CERTIFICATE

This is to certify that the Shareholding in _____ 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.

Place:

For (Name of Accounting Firm)

Date:

Name of the Partner
Chartered Accountant
Membership Number

Annexure : C-7
Certificate dated _____
submitted by _____ to NCDEX

To be submitted by listed public company

| <u>Sr. No.</u> | Name of the Stock Exchange(s) On which company is listed | Listed since (date) |
|-----------------------|---|----------------------------|
|-----------------------|---|----------------------------|

1.

2.

3.

4.

Date:

Place:

Signature(s)

SUMMARY SHEET

(Five sets of Summary Sheet should be submitted with the application form)

1. Name of the Applicant :
Constitution :

2. Date of Incorporation :

3. Chief Executive/Chairman :
 - a) Name :
 - b) Qualification :
 - c) Experience - Nature :
No. of years :
 - d) Other directorships /
controlling interests :

4. Managing Director
 - a) Name :
 - b) Qualification :
 - c) Experience - Nature :
No. of years :
 - d) Other directorships /
controlling interests :

Other Directors

(Please give following details for all other directors)

- a) Name :
- b) Qualification :
- c) Experience - Nature :
No. of years :
- d) Other directorships /
controlling interests :

- a) Name :
- b) Qualification :
- c) Experience - Nature :
No. of years :
- d) Other directorships /
controlling interests :

5. Chief Dealer
 - a) Name :
 - b) Qualification :
 - c) Experience - Nature :
No. of years :

Other Dealers

- a) Name :
- b) Qualification :

c) Experience - Nature :
No. of years :

6. Are you, any partner/directors/dominant promoter(s)/associate company, member(s) of any other stock / commodity exchange? If so, name of the exchange along with dates when they were acquired and total turnover figures for last 3 financial years (in Rs. Crores).

7. Net worth as indicated in the application form (Rs. Lakh) :

Computed as on:

8. Level of Income (expressed in terms of percentage and amount in Rs. Lakh) of applicants from activities such as :

| | Income | Percentage of Total |
|---|--------|---------------------|
| a) Stock / Commodity Broking | | |
| b) Merchant Banking & related activities | | |
| c) Fund based activities (such as Leasing / Hire Purchase / Lending. etc) | | |
| d) Others (Please specify) | | |

----- ~ ----- ~ ----- ~ ~ ----- ~ ----- ~ -----

NOTES FOR APPLICANTS

An applicant for membership is required to note the following and furnish all the documents.

1. Applications should be complete in all respects.
2. Applications may be retyped on A4 size paper provided all the contents remain intact. Applications are also available at www.ncdex.com
3. Bio-data of Directors/Core Dealers should give detailed information on the nature of work and number of years experience in each position. (Specify number of years experience in activities related to commodities industry, banking services, financial services etc. with relevant details.)
4. Existing / proposed organisation structure : The organisation structure should be indicated by way of an organisation chart. The organisation chart should include inter alia the names and designations of directors and the dealers to be involved in the commodities market. Kindly ensure that the detailed bio-data/certificates of all those to be involved in the Commodities market are enclosed separately.
5. The Net worth should be computed as of March 31, 2003 or later and presented in the prescribed format given in Annexure C-1, along with the computation sheet. The Net worth certificate should preferably be submitted on the basis of audited financial statements.
6. Details should be given of each item considered in the computation. Thus, details of investments, current assets, current liabilities, fixed assets including land and building, Debtors outstanding for more than 3 months etc. should be specifically stated. Even if the amount of any item involved in the computation is nil, it should be stated in the computation.
7. Summary Sheets : Applicants should submit 5 copies of the summary sheets. The summary sheet should contain a summary of information given in the application form and annexures in the prescribed format.
 - The names, educational qualifications and experience of the directors and the dealers whose bio-data are submitted should be briefly summarised in the summary sheets.
 - Information on the Chairman, Managing Director and Chief Executive should be stated along with information on the other directors and dealers whose bio-data have been submitted.
 - Number of years experience in activities relating to banking services, financial services or treasury should be stated.
 - If necessary, the summary sheet may be retyped on A4 size paper to accommodate the required details.
 - Summary sheets are to be signed by the same persons signing the application forms.
8. Duly completed application should be submitted along with the following
 - Account Payee Bank Draft / Pay order for Rs. 2000/- payable at Mumbai. (in favour of National Commodity & Derivatives Exchange Limited)
 - Certificate of Incorporation, Memorandum & Articles of Association
 - Net worth Certificate in the format provided in Annexure C-1.
 - Current Shareholding Pattern in the format provided in Annexure C-6.
 - Copies of the Balance Sheet for last three financial years.
 - Copies of the latest returns of Income Tax and Wealth tax along with proof of filing the same.
9. List of investments valued at market price as on March 31, 2003.
10. Proof of age and educational qualification, should be self attested
11. Attested copies of Certificate of Incorporation, Certificate of commencement of business, Memorandum of Association and Articles of Association. In the MOA, Commodity broking / trading / hedging / clearing & settlement / financing / processing / financial services should be one of the objects of the company.
12. Such documents as may be called for and be required by the NCDEX from time to time.
13. Such other documents that the applicant believes are relevant to the application may also be submitted.

14. Attention of applicants is particularly drawn to the following provisions:

- Any canvassing by an applicant shall debar his application from being considered for membership of NCDEX.
- The number of members to be admitted shall be at the sole discretion of NCDEX.

NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED.

WRITTEN EXAMINATION – SCOPE OF COVERAGE

- ✦ History, development and functioning of Commodities Market with emphasis on Trading and Clearing Systems, Automation of Exchanges, Depositories, etc.
- ✦ FCRA Act, 1952
- ✦ Taxation matters (Direct & Indirect), Economic issues and Developments with emphasis on those relating to Corporate Sector and Commodities.
- ✦ Financial Management with Time Value of Money, Risk and Return concepts, Valuation of Commodities, Sources of Finance, Portfolio Management, Fundamental & Technical analysis.
- ✦ Basics of Derivatives Trading - with emphasis on Futures & Options.
- ✦ Ethics in business and ethical treatment of clients
- ✦ Any other topics / subject matter as may be decided by NCDEX from time to time

NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Identity Card for Interview

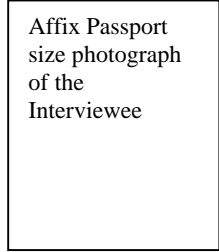
Name of the Applicant:

Constitution :

Name of the Interviewee :

Age :

Status/Designation :



(Signature of the Examinee)

(Signature & Seal of the Applicant)

Note: This Identity Card should be brought by the examinee for the Interview.

NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Identity Card for Interview

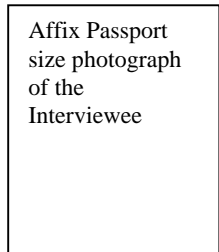
Name of the Applicant:

Constitution :

Name of the Interviewee :

Age :

Status/Designation :



(Signature of the Examinee)

(Signature & Seal of the Applicant)

Note: This Identity Card should be brought by the examinee for the Interview.