

ANNEXURE – I

(A) Revised Base Network Requirement & Method of Computation

Trading members / Clearing members of the Exchange/NCL are required to maintain network as prescribed by the Exchange/ NCL at all points of time as per the continuing membership norms of the Exchange/NCL. Revised Base Network for various classes of members as per SEBI Gazette Notification No. SEBI/LAD-NRO/GN/2022/73 dated February 23, 2022, is as under:

Segment	Type of Membership	Revised Base Network - Applicable from 23.02.2023 (Effective 31.03.2023 submissions)		Revised Base Network - Applicable from 23.02.2024 (Effective 31.03.2024 submissions)	
		Corporate/LLP	Firm / Individual	Corporate/LLP	Firm / Individual
Capital Market	TM	0.75 Crore	0.75 Crore	1 Crore	1 Crore
	TM (Alpha)	0.50 Crore	0.50 Crore	1 Crore	1 Crore
	TM & SCM	3 Crore	3 Crore	5 Crore	5 Crore
	TM & CM	10 Crore	10 Crore	15 Crore	15 Crore
	PCM	25 Crore	NA	50 Crore	NA
Futures & Options	TM	1 Crore	0.75 Crore	1 Crore	1 Crore
	TM (Alpha)	0.50 Crore	0.50 Crore	1 Crore	1 Crore
	TM & SCM	3 Crore	3 Crore	5 Crore	5 Crore
	TM & CM	10 Crores	10 Crores	15 Crores	15 Crores
	PCM	25 Crores	NA	50 Crores	NA
Currency Derivatives	TM	1 Crore	1 Crore	1 Crore	1 Crore
	TM & SCM	5 Crores	5 Crores	5 Crore	5 Crores
	TM & CM	10 Crores	10 Crores	15 Crore	15 Crore
	PCM	25 Crores	NA	50 Crore	NA
Commodity Derivatives	TM	0.50 Crore	0.50 Crore	1 Crore	1 Crore
	TM & SCM	3 Crore	3 Crore	5 Crore	5 Crore
	TM & CM	10 Crores	10 Crores	15 Crore	15 Crore
	PCM	25 Crores	NA	50 Crore	NA
Debt Segment	TM	0.50 Crore	0.50 Crore	1 Crore	1 Crore
	TM & SCM	3 Crore	3 Crore	5 Crore	5 Crore
	TM & CM	10 Crores	10 Crores	15 Crore	15 Crore
	PCM	25 Crores	NA	50 Crore	NA
TM = Registered Trading Membership.					
TM & SCM = Registered Trading and Self Clearing Membership.					
TM & CM = Registered Trading and Clearing Membership.					
PCM = Registered Professional Clearing Membership.					

Method of computation applicable is as prescribed by Schedule VI of Securities and Exchange Board of India (Stock Brokers) (Amendment) Regulations, 2022.

(B) Formats of Networth Certificate

Format: C-1 (Networth Certificate for Corporates, Firms & Individuals)

(To be provided on the Letterhead of the certifying Chartered Accountant/ Company Secretary)

CERTIFICATE

Member Name: _____

Member Applicable Networth* ***(Higher of 'Base Networth' or 'Variable Networth'):***

1. Base Networth is Rs. _____/-

2. Variable Networth is Rs. _____/-

This is to certify that the Networth of M/s./Mr./Ms. _____ (Name of Member) as on _____ as per the statement of computation of even date annexed to this report is Rs. _____ only).

We further certify that:

- M/s./Mr./Ms. _____ (Name of Trading Member) is not engaged in any fund-based activities or business other than that of securities or commodity derivatives. Existing fund based assets, if any, have been divested from the books of account and have not been included for the purpose of calculation of networth.
- The computation of networth 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 Networth is in accordance with method of computation prescribed by Schedule VI of SEBI (Stock Brokers) (Amendment) Regulations, 2022.
- The computation of Variable Networth is in accordance with the method of computation prescribed by SEBI as per SEBI Gazette Notification No. SEBI/LAD-NRO/GN/2022/73 dated February 23, 2022 on revised Networth requirement or as amended from time to time*.
- We hereby confirm that we are not the related party to the aforesaid entity.

Place:

For (Name of Certifying Firm)

Date:

UDIN:

Name of Partner/Proprietor

Chartered Accountants / Company Secretaries

Membership Number

*Shall be read with amendments, circular, notification issued in this regard till date.

Format: C-1 (Networth Certificate for Professional Clearing Members)

(To be provided on the Letterhead of the certifying Chartered Accountant/ Company Secretary)

CERTIFICATE

Member Name: _____

Member Applicable Network* **(Higher of 'Base Network' or 'Variable Network'):**

1. Base Network is Rs. _____/-

2. Variable Network is Rs. _____/-

This is to certify that the Networth of M/s. _____ **(Name of Member)** as on _____ as per the statement of computation of even date annexed to this report is Rs. _____ only).

We further certify that:

- The computation of networth 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 Networth is in accordance with method of computation prescribed by Schedule VI of SEBI (Stock Brokers) (Amendment) Regulations, 2022.
- The computation of Variable Networth is in accordance with the method of computation prescribed by SEBI as per SEBI Gazette Notification No. SEBI/LAD-NRO/GN/2022/73 dated February 23, 2022 on revised Networth requirement or as amended from time to time*.
- We hereby confirm that we are not the related party to the aforesaid entity.

Place:

For (Name of Certifying Firm)

Date:

UDIN:

Name of Partner/Proprietor

Chartered Accountants / Company Secretaries

Membership Number

*Shall be read with amendments, circular, notification issued in this regard till date.

Format: C-1 (Networth Certificate for Banks)

(To be provided on the Letterhead of the certifying Chartered Accountant/ Company Secretary)

CERTIFICATE

Member Name: _____

Member Applicable Network* **(Higher of 'Base Network' or 'Variable Network'):**

1. Base Network is Rs. _____/-

2. Variable Network is Rs. _____/-

This is to certify that the Net worth of M/s. _____ (Name of the Member) as on _____ as per RBI guidelines is Rs. _____ only.

We further certify that:

- The computation of networth 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 method of computation prescribed by Schedule VI of SEBI (Stock Brokers) (Amendment) Regulations, 2022.
- The computation of Variable Network is in accordance with the method of computation prescribed by SEBI as per SEBI Gazette Notification No. SEBI/LAD-NRO/GN/2022/73 dated February 23, 2022 on revised Network requirement or as amended from time to time*.
- We hereby confirm that we are not the related party to the aforesaid entity.

Place:

For (Name of Certifying Firm)

Date:

UDIN:

Name of Partner/Proprietor

**Chartered Accountants / Company
Secretaries**

Membership Number

*Shall be read with amendments, circular, notification issued in this regard till date.

Format: C-1 (Networth Certificate for members who have availed approval for offering margin trading facility)

(To be provided on the Letterhead of the certifying Chartered Accountant/ Company Secretary)

CERTIFICATE

Member Name: _____

Member Applicable Network* **(Higher of 'Base Network' or 'Variable Network'):**

1. Base Network is Rs. _____/-

2. Variable Network is Rs. _____/-

This is to certify that the Networth of M/s. _____ (Name of Trading Member) as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only).

We further certify that:

- M/s. _____ (Name of Trading Member) is not engaged in any fund-based activities or business other than that of securities or commodity derivatives. Existing fund-based assets, if any, have been divested from the books of account 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 Networth is in accordance with method of computation prescribed by Schedule VI of SEBI (Stock Brokers) (Amendment) Regulations, 2022.
- The computation of Variable Network is in accordance with the method of computation prescribed by SEBI as per SEBI Gazette Notification No. SEBI/LAD-NRO/GN/2022/73 dated February 23, 2022 on revised Network requirement or as amended from time to time*.
- We hereby confirm that we are not the related party to the aforesaid entity.

We further certify that the member has complied with all the regulatory requirements related to Margin Trading including those listed in NSE Circular ref. no. NSE/COMP/35125 dated June 15, 2017, NSE Circular ref. no. NSE/COMP/35260 dated June 30, 2017, NSE Circular ref. no. NSE/COMP/35521 dated August 03, 2017 and NSE Circular ref. no. NSE/COMP/36350 dated November 22, 2017.

Place:

For (Name of Certifying Firm)

Date:

UDIN:

Name of Partner/Proprietor

Chartered Accountants / Company Secretaries

Membership Number

*Shall be read with amendments, circular, notification issued in this regard till date.

Format C-1

Method of computation of Networth as per Schedule VI of SEBI (Stock Brokers) (Amendment) Regulations, 2022

The method of computation of Networth as prescribed by Schedule VI of SEBI (Stock Brokers) (Amendment) Regulations, 2022 is as follows:

Capital + Free Reserves

Less: Non-allowable assets viz.,

- (a) Fixed Assets
- (b) Pledged Securities
- (c) Member's Card
- (d) Non-allowable securities (unlisted securities)
- (e) Bad deliveries
- (f) Any Debts and Advances (except trade debtors of less than 3 months)
- (g) Prepaid expenses, losses
- (h) Intangible Assets
- (i) 30% of Marketable securities