

## National Stock Exchange of India

### Circular

Department: Compliance	
Download Ref No: NSE/COMP/64293	Date: October 01, 2024
Circular Ref. No: 74/2024	

To All Members,

### **Sub: Submission of Half Yearly Networth Certificate as on September 30, 2024**

This has reference to Exchange circular Ref no. NSE/COMP/64159 dated September 26, 2024 regarding submission of Half Yearly Networth Certificate as on September 30, 2024, **by October 31, 2024**, for Members who have availed approval for offering margin trading facility and **by November 30, 2024**, for other Members, electronically through ENIT.

Members are advised to note that the link for submitting the Networth is made available on ENIT-NEW-COMPLIANCE. The User Manual is annexed for reference.

All Members are required to strictly adhere to the timelines mentioned above and no additional time shall be provided for submission of the Networth certificate. It is further re-iterated that in case of any shortfall in Networth as on September 30, 2024, Members should submit a revised Networth certificate as on a subsequent date meeting the minimum required Networth along with the original Networth certificate as on September 30, 2024, before the due date.

In case of non-submission of Networth certificate within the due date or in case of any shortfall, non-submission of a revised Networth certificate along with the original Networth certificate as on September 30, 2024, disciplinary actions shall be initiated by the Exchange as stipulated in circular Ref no. NSE/INSP/53530 dated September 2, 2022.

Members are advised to take note and comply.

**For and on behalf of  
National Stock Exchange of India Limited**

**Swati Sopare  
Chief Manager**

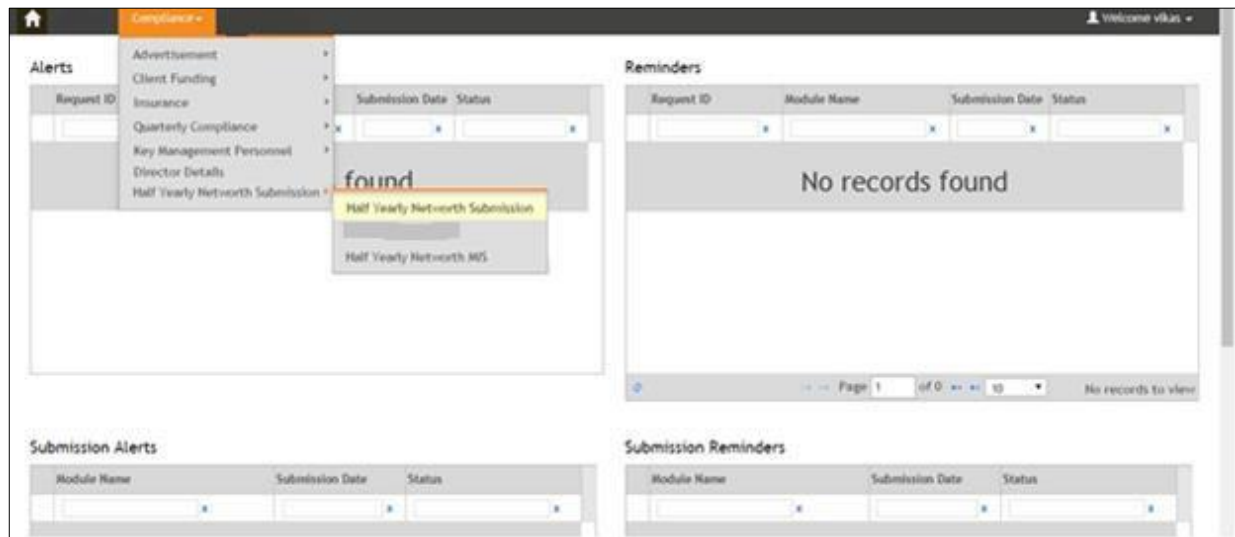


**National Stock Exchange of India Ltd.**

**User Manual for Submission of Half-Yearly Networth**

➤ **Half Yearly network submission**

1. Login with correct member credentials to member portal - <https://enit.nseindia.com/MemberPortal/>
2. Click on 'Compliance'.
3. Go to 'Half Yearly Network Submission' module.
4. Select 'Half Yearly Network Submission' and click on it.



On clicking, below page will open:

The screenshot shows the 'HALF YEARLY NETWORK' submission form. The form includes fields for Member Name, Member Code, As On Date, Membership No. of Certifying CA, Circular Ref., Upload Additional Scan Copy (if any), The network computation is based on standalone basis, Date of appointment of certifying entity, PAN of CA/CA firm, Name of Director/partner of CA firm, Member Code, Name of CA Firm, Method of Computation of Net Worth, Upload Scanned copy of Network Certificate & Computation, UDIN of the certificate, and Whether the network computation is based on audited/unaudited financial statement. There is an 'ADD MORE' button and a 'COMPUTE NETWORK' button at the bottom.

Here, 'Member Name, Member Code & As on Date' fields are auto populated and disabled fields. Name of CA Firm, Membership No. of Certifying CA, UDIN of the certificate, PAN of CA/CA Firm, Name of Director/partner of CA Firm, PAN of Director/partner of CA firm are editable blank fields.

'Method of Computation of Net Worth' is a dropdown option. The general options available are:

- Schedule VI of SEBI (Stock Brokers) Regulations, 1992
- RBI Method

The method types get allocated to each member depending on the respective constitution of the member etc.

If the Member is assigned for Schedule VI of SEBI (Stock Brokers) Regulations, 1992, then no other method types will be displayed to the member. When the Member is any Bank, then both Schedule VI of SEBI (Stock Brokers) Regulations, 1992 & RBI method will be displayed to them.

A check box is available to select that the networth computation is based on standalone basis.

'Whether the networth computation is based on audited/unaudited financial statement' is a dropdown option. The options available are:

- Unaudited Financial Statement
- Audited Financial Statement

Update the date in the field "Date of appointment of certifying entity".

Uploading of multiple networth certificate scanned copies can be done through the option – Upload Additional Scan Copy (if any)

'Upload Scanned copy of Networth Certificate & Computation' is a browse field. It accepts below document types:

- .pdf
- .jpeg
- .jpg
- .doc
- .docx
- .zip
- .tif
- .7z
- .rar

'Compute Networth' is a button, helps the Member to generate the form such that Member can enter the amount to submit his networth to the exchange.

➤ **Error when mandatory fields are kept blank:**

When the mandatory fields are kept blank & Member clicks on ‘Compute Network’ button, the mandatory fields will get highlighted with red error alert icon, showing the errors for each mandatory field.

When Member enters valid details & uploads a correct file & clicks on ‘Compute Network’ button, the form gets generated depending on the method selected for computing the network.

Note:  
1. Attachments only in .pdf/.jpeg/.jpg/.doc/.docx/.zip/.rtf/.rar are permitted.

Schedule VI of SEBI (Stock Brokers) Regulations, 1992 latest Circular No. 10 (Ref. NSE/COMP/51578 dated March 09, 2022)

Particulars	Amount(Rs. in absolute figure)	Particulars	Amount(Rs. in absolute figure)
Capital + Free Reserves		Non-allowable assets viz.	
Capital*	100	Fixed Assets*	1000
Free Reserves*	100	Pledged Securities*	1000
		Member's Card*	1000
		Non-allowable securities (unlisted securities)*	1000
		Bad deliveries*	1000
		Any Debts and Advances (except trade debtors of less than 3 months)*	1000
		Prepaid expenses, losses*	1000
		Intangible Assets*	1000
		Marketable securities*	1000
		Deductible Value of Marketable Securities Kindly fill the amount after considering appropriate haircut on all kinds of Marketable Securities as per Exchange circular NSE/COMP/47595 dated March 08, 2021	1000
Capital + Free Reserves (A)	200.00	Total (Non-allowable assets viz) (B)	9000.00

The part at left side is considered as ‘A’ & part at right hand side is considered as ‘B’. The Network is calculated as **[A-B]**

Variable network needs to be updated under the Variable Network field which is a mandatory field

‘Reset’ button allows Member to reset all the entered values back to 0.00

➤ **Shortfall in network and 25% variation in network**

- In case member has 25% variation, member will be directed to submit reason and upload if required.



When user saves the details then only ‘Submit to Exchange’ button will get enabled:

	Non-allowable securities (unlisted securities)*	5238238935.00
	Bad deliveries*	0.00
	Doubtful Debts and Advances*	178014678.00
	Prepaid expenses, losses*	481233627.00
	Intangible Assets*	52075627.00
	Marketable securities*	617830805.00
	Deductible Value of Marketable Securities Kindly fill the amount after considering appropriate haircut on all kinds of Marketable Securities as per Exchange circular NSE/COMP/47555 dated March 08, 2021	617830805.00
Capital + Free Reserves (A)		15520825283.00
	Total (Non-allowable assets viz) (B)	7313324275.00
	NetWorth (A-B)	8207501008.00
	Variable Networth*	8207501.00
	<input type="button" value="SAVE"/> <input type="button" value="RESET"/> <input type="button" value="SUBMIT TO EXCHANGE"/>	

When Member clicks on ‘Submit to Exchange’ button, ‘Submit to Exchange’ pop up will appear as below:

Capital*	5000000.00	Fixed Assets*	500000.00
Free Reserves*	25000000.00	Fledged Securities*	500000.00
		Member's Equity*	10000.00
			200000.00
			50000.00
			40000.00
			15000.00
			50000.00
			0.00
			150000.00
Capital + Free Reserves (A)			1921000.00
	NetWorth (A-B)		7347000.00
	Variable Networth*		1400000.00
	<input type="button" value="SAVE"/> <input type="button" value="RESET"/> <input type="button" value="SUBMIT TO EXCHANGE"/>		

**SUBMIT TO EXCHANGE**

Note: Please check the half yearly networth submission details before submitting. Once the data is submitted member cannot add/modify/delete the details. So please confirm before submitting the details to the exchange.

To,  
National Stock Exchange of India Ltd

This is with reference to your circular no. [redacted] regarding submission of half yearly networth certificate as a part of continuing membership norms. Please find attached herewith a scanned copy of the Half Yearly Networth and the computation thereof.

We/I confirm that the scanned copy of the Half Yearly Networth and the computation attached herewith are duly certified by the Chartered Accountant/ Company Secretary. We/I undertake that the details provided to the exchange are as per the certificate obtained by us and is true and correct.

The original copy of networth certificate and its computation is available with us, which would be made available to the exchange as and when required.

Yours faithfully,  
for

‘Submit to Exchange’ pop up is having below mandatory fields:

1. I agree
2. Name of the person whose signature is affixed
3. Designation of the person whose signature is affixed

4. Mobile / phone no.
5. Email id for further communication
6. Click on 'Validate Data'
7. Click on 'Submit'

<input checked="" type="radio"/> I Agree.	
Name of the person whose signature is affixed:	<input type="text"/>
Designation of the person whose signature is affixed:	<input type="text"/>
Mobile / phone no.:	<input type="text"/>
Email id for further communication	<input type="text"/>
<input type="button" value="Validate Data"/>	
<input type="button" value="SUBMIT"/> <input type="button" value="CANCEL"/>	

If Member enters invalid details, then one by one, error alerts will be displayed for each field.


'Name of the person whose signature is affixed & Designation of the person whose signature is affixed' fields should accept maximum 50 characters.

'**Mobile / phone no**' field should accept maximum 10 digits.

'**Email id for further communication**' field should accept maximum 50 characters. On this email id, Member will receive all the updates or the request is accepted / rejected.

When Member clicks on Submit, a reference number will get generated.

**Confirmation**

 The reference no.  
2069/HALF\_NET/0924/17863 has been  
Submitted successfully to NSEIL & NCL for HYE  
30-Sep-2024.

- In case member has reported shortfall, member will be directed to submit reason for shortfall and upload revised network certificate.

The screenshot displays a web application interface with a modal window titled "Upload Revised Network for Shortfall along with Shortfall Reasons". The modal contains the following fields and elements:


- Shortfall reason \***: A text input field.
- Upload :**: A file selection area with a "Browse..." button and the text "No file selected."
- Revised Network Certificate \***: A file selection area with a "Browse..." button and the text "No file selected."
- Note:**
  - Attachments only in .pdf/.jpeg/.jpg/.doc/.docx/.zip/.tif/.7z/.rar are permitted.
- SUBMIT**: A red button at the bottom of the modal.

The background interface shows various financial fields such as "Free Reserves\*", "Pledged Securities\*", "Member's Card", "Capital - Free Reserves (A)", "Total (Non-allowable assets viz) (B)", "NetWorth (A-B)", and "Variable Network\*", each with a corresponding input field and value.

- In case member reports shortfall and has 25% variation as compared to last submission, message shall be displayed as *“Please note the Network as on September 30, 2024 is below the minimum Network requirement, kindly submit the revised Network meeting the requirement. Do you wish to submit the revised Network”*

The screenshot shows a warning message box with the following content:

**Shortfall and 25% Variation Reported**

 Please note the Network as on September 30, 2024 is below the minimum Network requirement, kindly submit the revised Network meeting the requirement. Do you wish to submit the revised Network?


**Yes** **No**

If you click 'Yes', you will be directed to submit revised Network submission (as on a later date) along with reason for shortfall and 25% variation.

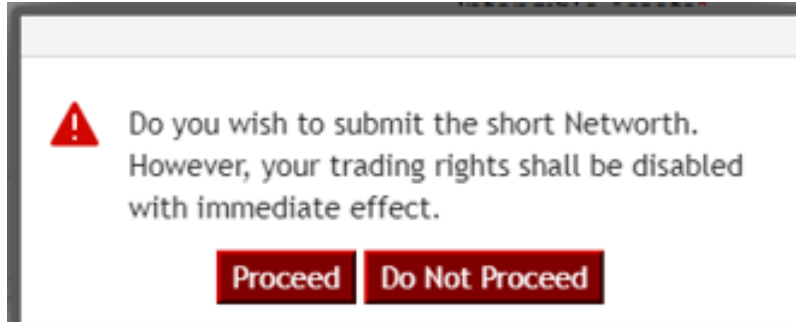
**NOTE: PLEASE NOTE IN CASE YOU DO NOT SUBMIT THE REVISED NETWORTH ON THE SAME DAY AS ON THE DATE OF ORIGINAL NETWORTH (WITH SHORTFALL), YOUR TRADING RIGHTS SHALL BE WITHDRAWN IMMEDIATELY.**

**Upload Revised Network for Shortfall along with Shortfall and 25% Variation Reasons**

Shortfall reason :*	<input type="text" value="Shortfall reason"/>
Upload :	<input type="button" value="Choose File"/> No file chosen
25% or more variation reason :*	<input type="text" value="25% or more variation reason"/>
Upload :	<input type="button" value="Choose File"/> No file chosen
Revised Network Certificate :*	<input type="button" value="Choose File"/> No file chosen
<b>Note:</b> <ul style="list-style-type: none"><li>• Attachments only in .pdf/.jpeg/.jpg/.doc/.docx/.zip/.tif/.7z/.rar are permitted.</li></ul>	
<input type="button" value="SUBMIT"/>	

 You have saved the request , but not submitted to Exchange. Request you to please click on SAVE and then click on SUBMIT TO EXCHANGE.

If you click 'No', following message shall be displayed "Do you wish to submit the short Network. However, your trading rights shall be disabled with immediate effect"



If you click on Proceed, you will be required to give reason for shortfall in networth and 25% variation in the networth and proceed to complete the submission.

**Upload Revised Network for Shortfall along with Shortfall and 25% Variation Reasons**

Shortfall reason : *	<input type="text" value="Shortfall reason"/>
Upload :	<input type="button" value="Choose File"/> No file chosen
25% or more variation reason : *	<input type="text" value="25% or more variation reason"/>
Upload :	<input type="button" value="Choose File"/> No file chosen
Revised Network Certificate : *	<input type="button" value="Choose File"/> No file chosen
<b>Note:</b> <ul style="list-style-type: none"><li>• Attachments only in .pdf/.jpeg/.jpg/.doc/.docx/.zip/.tif/.7z/.rar are permitted.</li></ul>	
<input type="button" value="SUBMIT"/>	

In case you click on 'Do not Proceed', **no submission will be recorded by Exchange.**

### ➤ Half Yearly Network MIS

When the Member submits the half yearly network, the same will get reflected in the 'Half Yearly MIS' module viewable from member's end.

Item Code	Member Name	Network Method	Total Network	Original Network	Minimum Network	Base Network	Variable Networks	Shortfall in Network	Submission Date	Date of Revised Submission	Status	Rejection Reason(if any)	Reference No.	MTR
1	Schedule VI of SEBI (Stock Brokers) Regulations, 1992	x	1099609000	1099609000	100000000	100000000	0	NO	Sep 17, 2024 3:57:55 PM	x	SUBMITTED	x	2069/HALF_NET/0924	No

Member must be able to filter the MIS using 'Reference no. & Status' fields.

'Status' Field consists of following options:

- Submitted
- Shortfall
- Revised
- Approved
- Rejected

1. **Submitted:** When the member submits the network for the first time without a shortfall, then the status will be displayed as 'Submitted. Even if there exists a 25% or more variation, still the status will be displayed as 'New'.
2. **Shortfall:** When member proceeds the submission by uploading the Network with shortfall and fails to submit the revised Network meeting the requirement.
3. **Revised:** When the member submits the revised network, then the status will be displayed as 'Revised'

4. **Approved:** When Exchange approves the submitted details, the status will get changed to 'Approved'. When the request is approved by the Exchange, member will receive the approved status with the reference no in the email-id provided by him to the exchange.
5. **Rejected:** When the Exchange rejects the submission, the status for such request will be shown as 'Rejected'. When Exchange rejects the request, member will receive the rejected status with the rejected reason in the email-id provided by him to the exchange and system will allow member to re-submit the Networth. Member shall resolve discrepancy and submit networth with 2 working days.