

Nepal Derivative Exchange Limited

Membership Documentation for Individual/Proprietor

Checklist

Sr. No.	Annexure	Particulars	Compliance (Yes / No)
1.	C1	Covering letter of the member enclosing list of documents/details etc	
2.	-	Application Form	
3.	C2	Certificate of net worth supporting with Balance Sheet and P&L Account (Not more than 6 months old)	
4.	C3	Details of Individual/Proprietor	
5.	C4	No other membership Undertaking	
6.	-	Demand Draft/Pay order/ at par cheque drawn in favour of “ Nepal Derivative Exchange Limited ” payable at Nepal towards membership fees and deposits	
7.	-	Proof of Bank account (Please enclose Bank Pass Book / Latest Bank Statement not older than 3 months)	
8.	-	Registered Address Proof of Individual/Proprietary Firm/ (Driving License/ Passport/ Telephone Bill/ Electricity Bill)	
9.	-	Residence Address Proof of Individual/ Proprietor / (Driving License/ Passport/ Ration Card/ Telephone Bill/ Electricity Bill)	
10.	-	Certified true copy of PAN Card of the Applicant and Individual/Proprietor/, Bio-data with complete details of Education & Experience and Residence address proof of Individual/Proprietor/	
11.	-	Two Passport size photographs of the Individual/Proprietor/	

Sr. No.	Annexure	Particulars	Compliance (Yes / No)
12.	-	Certified copy of Latest Audited Balance Sheet and P&L A/C	
13.	C5	Declaration of Individual/Proprietor/	
14.	C7	Business Undertaking	

Please feel free to write to us for queries, if any:

Membership Department

Nepal Derivative Exchange Ltd.
3rd Floor NDEX Complex
Tinkune ,Kathmandu
E-mail: membership@ndex.com.np

Annexure C1: Covering Letter

(On the letterhead of Applicant)

Date: _____

To,

Membership Department
Nepal Derivative Exchange Ltd.
3rd Floor NDEX Complex
Tinkune ,Kathmandu

Dear,Sir/Madam

Subject: Application for membership with Nepal Derivative Exchange Limited.

I/We am/are interested to become the Trading-cum-Clearing Member, of **Nepal Derivative Exchange Limited** and forward herewith application form along with documents for approval of membership with **Nepal Derivative Exchange Limited**.

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 from time to time.

Thanking You.

Yours faithfully,

For (Name of Member)

Name of the Individual/Proprietor/

Signature of the Individual/Proprietor/
Company stamp

Annexure C2: Net worth Certificate

Certificate date: _____

Submitted by: _____

CERTIFICATE

(To be given by a practicing Chartered Accountant)

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

We further certify 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 Partner/Proprietor

Membership Number

Company stamp

Detailed computation to be attach to this certificate.

Composition of Net worth of the Members

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: _____

Date: _____

For (Name of Accounting Firm)

Name Partner/Proprietor

Membership Number

Company stamp

Notes:

1. Valuation of fixed assets for the consideration of net worth would have to be certified by government approved values 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 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 "breakup 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.

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 Courtare to be excluded for the purpose of computation of net worth.

Annexure C3: Details of Proprietor/

(On letter-head of applicant)

Date: _____

To
Membership Department
Nepal Derivative Exchange Ltd.
3rd Floor NDEX Complex
Tinkune, Kathmandu

Details of Individual/Proprietor/ as on _____

Sr no	Description	Details
1	Name	
2	Father's Name	
3	Date of Birth	
4	Educational Qualification	
5	PAN	
6	Residential Address & Telephone, Mobile No., Fax No. and Email ID	
7	Directorships /controlling Shareholding in other companies/partnership firm.	

Trade Name of the Applicant _____

Name of Individual/Proprietor/ _____

Signature of Individual/Proprietor/ _____

Place: _____

Company Stamp

Annexure C4: No other membership undertaking

Format of Undertaking – Individual/Proprietor/

(To be given by the Member on his letterhead and to be signed by the Individual/Proprietor/ and put the Company stamp)

Date: _____

To
Membership Department
Nepal Derivative Exchange Ltd.
3rd Floor NDEX Complex
Tinkune ,Kathmandu

Dear Sir/Madam,

I have applied for the membership of the Nepal Derivative Exchange Limited (NDEX) in the name and style of “ _____ ”

I, _____ (name of Individual /Proprietor/, Nepali national, the Proprietor/ in the above stated entity of the NDEX hereby confirms that I am not Proprietor / Designated Partner / Designated Director in any other entity having the membership of the NDEX.

Further I confirm that I satisfy 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 NDEX.

I declare that the information given above is true.

Yours faithfully,

For (Name of the Member)

Signature of the Individual/Proprietor/

Name: _____

Place:- _____

(Company Stamp)

Annexure C5: Declaration of Proprietor/
(On the Letter Head of the member)

Date: _____

To
Membership Department
Nepal Derivative Exchange Ltd.
3rd Floor NDEX Complex
Tinkune ,Kathmandu

Dear Sir/Madam,

I/We hereby confirm/undertake that _____
_____(Trade Name of the Member) and _____
_____(Name of Individual/Proprietor)

- a. Are not debarred/suspended/declared defaulters by SEBI recognized Stock Exchange/ Commodity Exchange.
- b. Are not connected with any of the defaulting/ suspended member of any Stock Exchange/Commodity Exchange.
- c. There are no complaints/disciplinary action against us at SEBON any recognized Stock Exchange/ any recognized Commodity Exchange.
- d. Have no investigation/ enquiry by SEBON recognized Commodity Exchange or any statutory body is pending against us or undertaken against us.

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.

Yours faithfully

For (Name of the Member)

1. Authorized Signatory
(Individual/Proprietor)

Company Stamp

Place: _____

Annexure C7: Business Undertaking

(On the letter head of Member)

Business Undertaking Form- Proprietor / Individual/

To

Membership Department
Nepal Derivative Exchange
3rd Floor NDEX Complex
Tinkune ,Kathmandu

Dear Sir/Madam,

I _____(Name of Individual/
Proprietor),of _____ (Trade
Name of the Member) hereby confirm/undertake as under:

I confirm/undertake that neither I do/nor I intend to carry any business in share/stocks/
Securities in future under the trade name of _____ (Name of the Member).

I also confirm/undertake that I intend to carry a business related to commodities Trading.

Thanking you,

Yours truly,

Name of Individual/Proprietor/

Signature of Individual/Proprietor along with its Company stamp

Attested by Exchange along with its Company stamp