Frequently Asked Questions (FAQs)
(For Existing Members)

1) What is applicable fee structure for making an application for SEBI registration for existing Members?

Ans. Applicable Fee Structure for existing Members is provided hereunder.

Type of Membership at MCX	Corresponding type of membership as per SEBI Regulations	SEBI Registration Fees	SEBI Annual Regulatory fees
Trading Members	Stock Broker/Trading Member	Rs.25,000/-	Nil
Trading cum Clearing Members	Self-Clearing Member	Rs.25,000/-	Rs.50,000/-
Professional Clearing Members	Clearing Member	Rs.25,000/-	Rs.50,000/-
Institutional Trading cum Clearing Members	Trading Member & Clearing Member	Rs.25,000/-	Rs.50,000/-

2) What is the mode of payment of the aforesaid fees?

Ans. SEBI Registration fee and SEBI Annual fee as mentioned above, has to be paid way of Demand Draft favoring "**Securities and Exchange Board of India**" payable at Mumbai.

3) Do I have to pay the aforesaid fees directly to SEBI or to the Exchange?

Ans. The aforesaid fee is to be paid to the Exchange along with the duly filled in application for onward forwarding to SEBI.

4) Can we make on single Demand Draft for application fee (Rs.25,000) and annual fee (Rs.50,000) being a Trading Cum Clearing Member/ Institutional Trading Cum Clearing Member?

Ans. Yes, it is advisable to make a single Demand Draft of Rs.75,000/- towards SEBI application and SEBI annual fee. This will also assist you while filling Online application.

5) If I have paid the aforesaid fee to SEBI while applying for SEBI registration through other Exchange, do I have to pay it again to MCX while making an application for SEBI registration?

Ans. Yes, it has to be paid again.

6) If I have made an application for registration with SEBI through other Commodity Exchange, do I have to apply through MCX also?

Ans. Yes

7) We are existing Members of the Exchange with FMC code, do we need to still register with SEBI?

Ans. Yes, all existing Members of the Exchange are required to register with SEBI. Please be guided by Exchange circular no. MCX/MEM/268/2015 dated September 29, 2015.

8) Which Form(s) are applicable for existing Members of the Exchange?

Ans. The Form(s) which are applicable are mentioned hereunder**:**

Sr. No.	Name of the Form	Type of Membership
1.	Form A	Members with Trading Rights {i.e., Trading Member (i.e., Stocks Broker), Trading cum Clearing Member & Institutional Trading cum Clearing Member}
2.	Form AD	Members with Clearing Rights, i.e., Trading cum Clearing Member, Institutional Trading cum Clearing Member, Professional Clearing Members
3.	Additional Information details	All categories (i.e., Trading Member (i.e., Stocks Broker), Trading cum Clearing Member, Institutional Trading cum Clearing Member & Professional Clearing Members)

9) From where can I get the formats for making an application for SEBI registration?

Ans. The Exchange is providing an Online Portal to all Members for making an application for SEBI registration. Further, the formats, if desired, are available at the following link: www.mcxindia.com>Membership>SEBI Registration>Formats

10) I have already submitted these documents to the Exchange earlier for obtaining membership, do I have to submit them again?

Ans. Yes, all the documents are to be submitted again as per the format as prescribed for the purpose of registration with SEBI.

11) What if my application submitted to the Exchange is not complete or not accompanied with the requisite fees?

Ans. In such a case, your application will not be forwarded to SEBI.

12) Do I have to compulsorily use L C Gupta format for Net worth computation?

Ans. No, the Exchange has provided three formats. Currently, the existing Members can use any one of the three formats. However, from September 28, 2016, it is compulsory to follow only L C Gupta format.

13) The documents to be submitted to the Exchange for SEBI registration should be as on which date?

Ans. All documents to be submitted to the Exchange should be of the latest date except for the net worth certificate (the details of which have been explained in FAQ below)

14) Whether we are required to submit Net worth certificate based on Audited books of Accounts?

Ans. Please note that you are required to submit Net worth certificate as under:

a) Latest Net worth (not older than 6 months) Certificate and computation thereof is to be provided on the letterhead of CA under their certification along with even date Balance sheet and profit and loss account.

b) Net worth Certificate along with computation thereof on the letterhead of Chartered Accountant under their certification as on **March 31, 2015** accompanied with **audited** annual financial statements /Annual Reports.

15) What is the current net-worth requirement for Members?

Ans. The net-worth requirement as specified by Exchange currently for each type of Membership is applicable till September 28, 2016.

16) From when Members are required to meet the deposit and net-worth requirement as prescribed by SEBI in the Stock Broker and Sub-Brokers Regulation, 2015.

Ans. SEBI has given time till September 28, 2016 to meet the deposit / net worth requirement as stipulated in Stock Broker and Sub-Brokers Regulation, 2015.

17) Deposit requirement stipulated by SEBI is different from what is stipulated by Exchange, in such a situation which requirement is applicable to us?

Ans. Higher of the two (2) is applicable.

18) Is Base Minimum Capital (BMC) requirement still applicable and what is the applicable BMC?

Ans. Yes, it is applicable and remains same. The details are given hereunder:

a. Members without Algo trading- INR 10 Lacs
b. Members doing Algo trading – INR 50 Lacs

19) Which supporting document is required to be provided for paid up capital?

Ans. The document to be submitted in this regard is Balance sheet or Shareholding Pattern in the format which is available on our website at www.mcxindia.com>Membership>SEBI Registration>Formats

20) With respect to following point as mentioned in Undertaking of Form A/AD:
"Whether any disciplinary action has been initiated/ taken or penalty has been imposed by SEBI/ stock exchange(s)/ clearing corporation(s) or any other regulatory authority?"

Ans. The details of penalty to be mentioned are for the past 3 years which includes inspection penalties as well as suspension by the Exchange.

21) In what format status report is to be submitted?

Ans. SEBI has already provided the format to all the Commodity Exchanges, in which they will provide you the status report. Further, it is also available on our website at www.mcxindia.com>Membership>SEBI Registration>Formats

22) From which Exchange we are required to obtain status report?

Ans. While making an application to MCX, you are required to submit the Status Report obtained from the other National Commodity Exchanges where you are a Member.

23) If we have applied for surrender of membership in other Commodity Exchanges do we need to obtain status report from them?

Ans. No. However, please specify in the application that you have applied for surrender in the referred Commodity Exchange.

24) Whether there will be any extension in period specified by SEBI for registration?

Ans. No.

25) I am holding Trading Cum Clearing Membership with the Exchange, can I apply as Trading Member?

Ans. No, currently, the Rules, Bye-Laws and Business Rules of the Exchange do not permit the same. Therefore, you are required to apply in the same category in which you are a Member.

26) We are Member of BSE & NSE, can we apply for MCX Membership in the same entity since both are regulated by SEBI/ Can we merge our entity having BSE & NSE Membership with the entity having Commodity Membership or vice-versa?

Ans. No, currently SEBI has specifically prohibited the same.

27) Can we apply for Membership in LLP or convert our existing membership to LLP?

Ans. Currently, the Rules, Bye-Laws and Business Rules of the Exchange do not permit LLP as a constitution to become a member. Once Rules are amended, you can apply as LLP.

28) The date from when Turn Over fees will be applicable?

Ans. The Turnover Fee is applicable with effect from September 28, 2015. For further details, may please get in touch with Clearing & Settlement department at 022 - 6649 4100 or email them at c&s@mcxindia.com

29) What is the specification of the documents to be scanned and uploaded on Online Portal?

Ans. The specifications of the documents to be scanned in PDF form for online upload are as follows:

a) Scanning should be done in Black and white
b) Scanning should be done with resolution of 300dpi
c) Each page of PDF document should not be more than 100 KB and total size of one document to be uploaded should not exceed 1 MB in size
d) Each application should not exceed more than 10 MB
e) The nomenclature of the file to be uploaded will be provided along with Online Portal details

30) Do I have to upload complete set of Memorandum and Article of Association on Online Portal?

Ans.: No. The following documents are to be uploaded on Online Portal for Memorandum and Article of Association:

a. Incorporation Certificate
b. The relevant clause having stock / commodity broking as one of the object in Main Object/Other Object/Incidental Object (In case, If clause appears in other object, please attach a copy of special resolution to amend the MOA to incorporate Stock Broking in main object clause)
c. Certificate issued for Consequent Change due to change in name, address, alteration in clause, etc.
d. Subscriber Page of Memorandum and Article of Association

31) If I have applied for surrender of Membership, is SEBI registration mandatory for me?

Ans. No