Circular no.: MCX/MEM/036/2007 January 29, 2007

Transfer of Membership

In terms of provisions of Rule 19(k) read with Business Rule 8 of the Exchange and in continuation to circular no. MCX/245/2005 dated July 4, 2005, MCX/149/2006 dated April 6, 2006, MCX/150/2006 dated April 6, 2006 and MCX/MEM/026/2007 dated January 17, 2007, the procedure for transfer of Trading-cum-Clearing Membership (Non-deposit based) is notified as under:

1.1 Only full fledged Trading-cum-Clearing Members (Non-deposit based) can transfer their Membership who has paid the admission fees and security deposit in full.

1.2 Have completed 3 (three) years from the date of approval of their Membership.

1.3 Transfer of membership shall be to persons / entities eligible under MCX Bye laws, Rules and Business Rules including Circulars and instructions issued by the Exchange from time to time.

1.4 The transfer can be done generally by a Member of the Exchange as specified in column 1 to the persons / entities mentioned in column 2, herein mentioned below :

Constitution of Member	**Persons / Entities to whom the Membership can be transferred**
Individual/HUF	Individual/ Partnership Firm/Body Corporate/ HUF/ Co-operative Society
Partnership Firm	Partnership Firm/ Body Corporate
Body Corporate	Body Corporate

2. Members intending to transfer their membership as above will have to submit the application form duly filled **(Annexure 1)** along with the following documents.

2.1 Agreement for transfer of membership on non-judicial stamp paper of appropriate value duly notarized **(Annexure 2)**.

2.2 Undertaking by transferor on non-judicial stamp paper of appropriate value duly notarized **(Annexure 3)**.

2.3 Undertaking by transferee on non-judicial stamp paper of appropriate value duly notarized **(Annexure 4).**

2.4 Board resolution for transfer of membership for Corporate only **(Annexure 5 (a) & 5 (b)).**

2.5 Net worth certificate of the transferee as per the prescribed format of the Exchange duly certified by a Chartered Accountant **(Annexure 6)**.

2.6 Shareholding-pattern/Sharing-pattern & details of Dominant Promoter Group (DPG) of the transferee for Corporate/ Partnership Firm only **(Annexure 7).**

2.7 Copies of the Advertisements released in Newspapers by the Transferor inviting objections, if any , to the said transfer **(Annexure 8).**

3. Member shall pay the Exchange at the time of filing of the transfer application, the processing charge of Rs.10,000/- (Rupees Ten Thousand Only) and transfer fee of Rs.1,00,000/- (Rupees One Lac Only) by demand draft / pay order in favour of "Multi Commodity Exchange of India Limited" for transfer of membership as prescribed in Circular No. MCX/150/2006 dated April 6, 2006.

4. The Transferee will pay security deposit, annual subscription and any other fees/ charges as per the prevailing deposits / fees / charges applicable for new members. The Transferee will be required to maintain the net worth on a continuous basis as per the provisions of Bye laws, Rules, Business Rules including Circulars and instructions issued by the Exchange from time to time

5. Transfer request will be considered only on fulfillment of the conditions as specified in the Schedule enclosed.

6. It may be noted that the Exchange reserves the right to reject / decline the transfer of membership without assigning any reason(s) whatsoever to the Member.

7. In case of any difference and / or dispute as to the interpretation, meaning or effect of the circular, the decision of the Exchange shall be final.

KRCV Seshachalam
Head- Legal

Encl: as above

Kindly contact Mr. Anthony Rodrigues on 022 – 6709 9300 or send an email at customersupport@mcxindia.com for any clarification.

SCHEDULE

Conditions for transfer

Transfer shall take place only after the fulfillment of the following conditions:

1. Transferor shall be responsible to pay all the outstanding dues of the Exchange and FMC, if any, including the payment of annual subscription of the Exchange.

2. The transferor and the transferee shall execute the undertakings as per the format prescribed by the exchange.

3. The transferee should not be an existing member nor a director/ partner/ associate/ holding Company or subsidiary of the existing Member of the Exchange.

4. The transferee shall be a fit and proper person.

5. Transferor shall continue to be a Party before Arbitration matters or any other proceedings in which a claim is made along with the transferee for any claim or dispute on account of dealings, transactions, contracts and covenants in the capacity as a member of the Exchange that has arisen before the actual transfer took place.

6. The transferee or the transferor has not been declared as defaulter by any other Commodity or stock exchange.

7. There is no disciplinary action pending against the transferor by the Exchange.

8. The transferor has no enforcement action pending from FMC.

9. There are no investor claims pending against the transferor.

10. The Transferor should release an advertisement in two Newspapers (one national and one regional) stating its intention to transfer its membership and inviting objections, if any, to the transfer

Annexure 1

Application for Transfer of Membership on Member's Letter head

Date:

To,
Membership Department
Multi Commodity of Exchange of India Limited (MCX)
102 A, Landmark,
Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093.

Dear Sir,

Sub: Application for obtaining approval from MCX for Transfer of Membership

I / We _____ (Trade name of the existing Member / Transferor) member of MCX, have completed _____ years as a member of Multi Commodity Exchange of India Limited (MCX). I / We now proposed to transfer our above stated membership to _____ (name of the proposed member / buyer / Transferee).

The relevant particulars of our membership and the proposed member / buyer / Transferee are as under:

Details of Transferor		
Name		
Address		
Type of organisation / constitution	Individual / HUF / Partnership / Corporate / Other	
Date of approval of Membership		
Member ID (if any)		
UMC Code allotted by FMC (if any)		
Volume of Trading (Turnover) for last 3 years (if any)	**Year**	**Turnover**
Date of Board Resolution for transfer of membership (in case of Corporates)		
Whether cleared all dues to the Exchange including Annual Subscription		
Whether any investor grievances pending with the Member / Exchange / FMC	**If yes, provide details in a separate annexure**	
Whether any arbitration is pending	**If yes, provide details in a separate annexure**	

Whether any disciplinary action pending against under any Bye Law / Rules of Exchange	
Whether any disciplinary action initiated / taken by FMC	
Whether declared defaulters / readmitted by the Exchange	
Whether any Legal proceedings pending in any Court or Forum concerning membership and/ or transactions undertaken by the Member	
Any other cases, including prosecution pending	
Details of Transferee	**(Enclosed below)**

I / We state that the above stated details are true and correct and I / We understand that for any wrong statement I / We are liable for legal action.

Thanking you,

Yours faithfully,

For _____(name of the Transferor)

_____(Signature)

Name of the Signatory

Rubber Stamp

Place: .....……..

Encl:

Details of Transferee

1. Name of the Applicant (full)	
2. Registered Office Address City: State: Pincode: Telephone No.: Fax No.: (with STD Code) Email: Name of the contact person(s): Mobile No.:	
3. Nationality	
4. Constitution	Individual/ Registered Partnership Firm/ Private Ltd Co./ HUF/ Public Ltd Co. / Institution/ Others
5. Date of incorporation/registration	
6. Income Tax Permanent Account No.	
7. Present business/occupation	
8. Present Net worth	Rs..... lakh as on .....……
9. Are you a member of any other Commodity/Stock Exchange? (Provide details)	

10. Please give the following details of the applicant :	
a) Have you been declared/rendered incompetent to enter into contract under any law in force in India?	Yes/No
b) Have you ever been declared a defaulter by any Association or Exchange recognized by the Government under any law?	Yes/No
c) Whether any court case is pending against applicant / directors / partners?	Yes/No
d) Have you ever been pronounced guilty of a criminal offence involving moral turpitude?	Yes/ No
e) Has any disciplinary action been taken by any commodity/stock exchange against you or any of the partners/promoters / directors /shareholders / employees of yours? If so, please provide details in a separate sheet.	Yes/ No
f) Have you ever been adjudged bankrupt or have been proved to be insolvent at any time.	Yes / No
g) Have you ever been involved in litigations, suits or proceedings or have been involved in any financial liability of contingent or unascertained nature?	Yes/No
h) Have you ever been at any time convicted of an offence involving fraud or dishonesty or financial irregularities?	Yes/No
i) Have you ever been associated with or a trading member of or subscriber to or a shareholder or debenture holder of any other commodity/stock exchange?	Yes/No
j) Have you ever been denied / rejected membership of any commodity/stock exchange or commercial organization? If yes, when?	Yes/No
k) Have you committed any act which may render you liable to be wound-up?	Yes/No
l) Have you ever been suspended / expelled / declared a defaulter on any other commodity/ stock exchange or have been debarred from trading in commodities/securities by any Regulatory Authorities like FMC, RBI, SEBI, etc.?	Yes/No
m) Have you ever had a provisional liquidator or receiver or official liquidator appointed by a competent court against you or your properties?	Yes/No
(In case answers to any of the above questions is yes, then please provide details enclosing separate sheet)	

11. Membership Type	Admission Fees based / Deposit Base (Strike whichever is not applicable)
12. Commodities Interested	

_____
(Signature of the Transferee

I / We undertake that any misstatement or misrepresentation or suppression of facts in connection with this application for transfer of membership or breach of any undertaking or condition for transfer of membership entail rejection of our application.

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.

For _____ (Trade name of the Transferee)

_____
(Rubber Stamp)
(Signature of the Transferee)

Name of the Signatory

Date: .....……..

Place: .....……..

The above facts have been verified by us and found to be true and correct.

_____

(Signature of the Transferor)

Annexure 2

Agreement for Transfer of Membership

This Agreement made and executed at _____ on this _____ day of _____

By and Between

_____ at _____ (hereinafter referred to as "**Transferor**", which expression shall, unless excluded by or repugnant to the subject or context thereof, mean and include its affiliates, successors, successors-in-office and permitted assigns) through its Director or his / her designated representative of the **FIRST PART**

AND

_____ at _____ (hereinafter referred to as "**Transferee**", which expression shall, unless excluded by or repugnant to the subject or context thereof, mean and include its affiliates, successors, successors-in-office and permitted assigns) through its Director or his / her designated representative of the **SECOND PART**

Transferor and Transferee are referred to jointly herein as "the Parties" and severally as a "Party" to this Agreement.

Transferor is a full fledged trading cum clearing member of Multi Commodity Exchange (MCX) registered on ---------- having Membership ID ---------- and UMC No----------

Transferee …….. . (Give details of transferee)

Transferee is desirous of acquiring the membership rights of MCX from the **Transferor** and the **Transferor** has decided to transfer his/her/ their Membership right of MCX to the **Transferee** subject to approval of MCX and as per the provisions of Bye-Laws, Business Rules, Rules including Circulars and instructions issued by MCX from time to time.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The transfer of this Membership shall be subject to the compliance by Transferor and transferee of all the provisions of Bye-Laws, Rules and Business Rules including Circulars and instructions issued by MCX from time to time. The Transfer shall be further subject to the Forward Contracts (Regulations) Act, 1952 (hereinafter referred to as "FCRA", the Forward Contracts (Regulation) Rules, 1954 (hereinafter referred to as "FCRR") all amended from time to time and the rules, regulations, directives, orders, guidelines, norms and circulars issued by the Government of India and / or FMC there under from time to time.

   The Transfer shall also be subject to appropriate approvals from the competent authority of MCX

2. The **Transferor** shall be responsible to pay all the outstanding dues of MCX and FMC if any including the payment of Annual Subscription of MCX, Stamp duty, Service Charges, fines, penalties, transaction charges, taxes, duties, claims and all other dues and charges and all other liabilities arising due to business / work carried on by the Transferor during the period his/its Membership.

3. The consideration agreed and payable by the **Transferee** to the **Transferor** for acquiring the Membership right of MCX shall be Rs. _____(Rupees _____ only). The consideration agreed upon herein is paid by the **Transferee** to the **Transferor** vide Demand Draft / Pay Order / Cheque No. _____ dated _____ for Rs. _____ (Rupees _____ only), which the **Transferor** hereby acknowledges as full consideration received for the Membership of the Exchange.

4. The **Transferor** will be liable for all the outstanding dues, claims and charges, fees and other dues payable to constituents.

5. That the **Transferor** shall extend his/its full co-operation and sign all such papers and documents as required.

6. That the **Transferor** and the **Transferee** agree and acknowledge that they will execute an undertaking as per the format provided by MCX.

7. The **Transferee** is aware that the transfer agreement will not entitle him to become the Member of MCX automatically and that he/she should be otherwise qualified to be Member of MCX as per the Bye-Laws, Rules and Business Rules including Circulars and instructions issued by MCX from time to time. **Transferee** represented that he is qualified to become Member of MCX including having appropriate net worth and is not a director/ partner/ associate/holding company or subsidiary of an existing member of MCX.

8. In the event of failure on the part of Transferor to pay all the outstanding dues of MCX or FMC including the payment of Annual Subscription of MCX and FMC, Stamp duty, Service Taxes / Charges, fines, penalties, Transaction charges and all other dues and charges and all other liabilities arising due to business / work carried on by the Transferor during his/its Membership, the said amount shall be paid by the Transferee upon the latter's admission in MCX as instructed by MCX & FMC from time to time.

9. It is further agreed by the Transferor that for any claims before arbitration/ courts arising out of the transaction by the Transferor before transfer, that the Transferor pleads himself will be a party and abide by the decision of the court/ arbitrator.

10. The **Transferee** understands and acknowledges that he/she can become Member of MCX only upon:

a) the **Transferor** has cleared all his/its dues to MCX and FMC if any up to the date of approval of the said transfer by the Exchange.
b) the **Transferee** has completed all the formalities with the Exchange for his/its registration as a Member including the payment of security deposit, processing charges to MCX and submission of all the information and the documents required for his/its registration as a Member of the Exchange.
c) the Membership Committee has recommended to approve the proposed transfer request and the Executive committee of the Exchange has admitted the Transferee as a Member of the Exchange ,

Provided further that if after admitting the **Transferee** as a Member of the Exchange by the Board, FMC does not register the **Transferee** as a Member of the Exchange for any reason what so ever, the Membership shall provisionally continue till such time to be in the name of the **Transferee** till he/she transfer her/ his/its Membership in favor of another prospective eligible Member without any recourse to the Exchange or the Transferor.

Provided further that admission of Transferee as a member of MCX does not and can not give raise to any presumption whatsoever that transferor had cleared all the dues and settled all the claims.

11. The Transferor has agreed to transfer the following documents/ registers to the Transferee:
    a)
    b)

    which the **Transferee** hereby acknowledges the receipt of the same from the Transferor.

12. This Agreement is subject to laws of India and to the exclusive jurisdiction of courts in India.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and the year first above written.

SIGNED by, for and on behalf of	SIGNED by, for and on behalf of
_____	_____
Authorized Signatory	Authorized Signatory
Name:	Name:
Title:	Title:
Date: Witnesses: Name & address:	Date: Witnesses: Name & address:

Annexure 3

Undertaking by Transferor

(To be executed on Rs.300/- Non Judicial Stamp paper)

This undertaking made on this __ day of _____, 2007 by:

Mr. / Ms/ M/S. ---------- resident of ---------- **(give complete details of Transferor)**(hereinafter called the "Transferor ", which shall be deemed to include his/her heirs, successors and legal representatives) in favour of **Multi Commodity Exchange of India Limited** , having its Registered office at 1st Floor, Landmark, "A" Wing, Suren Road, Chakala, Andheri (East), Mumbai-400 093 India (hereinafter called the "MCX", which shall include it's affiliates, successors and assigns).

WHEREAS

(a) The Transferor is a full fledged trading cum clearing member of MCX with effect from _____ having Membership ID No._____ and UMC No_____.

(b) The Transferor, subject to the approval of MCX and as per the provisions of the Bye laws, Business Rules, Rules including circulars and instructions, has decided to transfer the membership rights of MCX to …… **(Name of the Transferee).**

NOW THEREFORE, in consideration of and as a condition precedent for MCX permitting the Transfer of membership, the Transferor undertakes as follows:

1. The Transferor undertakes that he /she/ it has not committed any breach of the provisions of Bye- Laws, Rules, Business Rules of the Exchange including any circular, order, direction, notice, instruction issued by MCX from time to time;

2. The Transferor undertakes that he/she/it has maintained and preserved such information, records, books and documents pertaining to the working of the Transferor as a Trading-cum-Clearing Member and shall continue to preserve the said document for a minimum period of 3 years or any other longer period as may be required by MCX FMC or any other authority ;

3. The Transferor undertakes to produce the same as and when required by MCX / FMC for inspection and give access to all records, books, information, documents, etc. in whatever form to MCX or FMC or any other authority;

4. The Transferor undertakes and represents that he/she/ it has not been declared defaulter by any other Commodity Exchange;

5. The Transferor hereby confirms and undertakes that he /she /it has transferred/ proposed to transfer the membership right to the Transferee for lawful consideration only.

6. The Transferor represents that he/she/it has cleared all the dues along with all the liabilities, claims, demands and further undertakes that there are no claims pending against it/him and if pending the Transferor undertakes to pay and discharge the same before actual transfer takes place. The Transferor undertakes to become a party to the Arbitration or any of the proceedings in which a claim is made along with the transferee for any claim or dispute on account of his dealing, transaction, contracts and covenants in the capacity as a member of MCX that had arisen before the actual transfer took place.

7. That the Transferor represents and undertakes that it had verified the antecedents of the transferee and satisfied that the transferee is qualified as per the Bye- Laws, Business Rules, Rules and requirements of MCX to become a member, and that he/it is fit and proper.

8. The Transferor undertakes to remain liable even after the transfer is effected for the commissions and omissions done by the transferor prior to the date of transfer and undertakes that MCX has full right and authority to take such actions against the Transferor as deemed fit and proper under its Bye- Laws, Rules, Business Rules of the Exchange including any circular, order, direction, notice, instruction issued by MCX from time to time and undertake to abide by such decisions of MCX;

9. The Transferor hereby confirms that in case of default of the Transferor, he/she shall be liable to pay the dues of MCX out of his/its personal or other assets. The Transferor further understands that in case of default of the Transferor, MCX shall be legally entitled to attach through due process of law the personal, movable and immovable, properties of the Transferor;

10. That the Transferor undertakes that as on date it/she/he has not received any notice in connection with any insolvency proceedings or creditors winding up proceedings and no proceedings are pending against the Transferor.

11. The Transferor further represents that FMC or any commodity exchange has not taken any disciplinary action against him/ it;

12. That without prejudice to the rights, remedies available to MCX upon the Transferor's non-compliance with this Undertaking, the Transferor shall indemnify and keep MCX indemnified against any losses, damages, demands, charges or expenses, including attorney's fees, suffered by MCX by virtue of transfer and on account of violation of this undertaking ;

13. The Transferor acknowledges and undertakes that the consideration is being exchanged directly between himself/herself/itself and the Transferee . MCX is hereby authorised to proceed for transfer of membership based on the "Agreement for the transfer of Membership, undertakings, and other necessary documents executed for transfer of membership" and that the transfer process will not be stalled/challenged subsequently for lack or inadequacy of consideration or for any other reason or dispute between the Transferor and the transferee

    The Transferor hereby confirms that the information provided in this Undertaking is true and correct to the best of the knowledge and belief.

    Name:
    Signature:
    Address:

    Witnesses:
    Name & address:

Annexure 4

Undertaking by Transferee

(To be executed on Rs.300/- Non Judicial Stamp Paper)

This Undertaking made on this __ day of _____, 2007 by:

Mr. / Ms/ M/S. ---------- resident of ---------- **(give complete details of Transferee)**(hereinafter called the "Transferee ", which shall be deemed to include his/her heirs, successors and legal representatives) in favour of **Multi Commodity Exchange of India Limited** , having its Registered office at 1st Floor, Landmark, "A" Wing, Suren Road, Chakala, Andheri(East), Mumbai-400 093 India (hereinafter called the "MCX", which shall include it's affiliates, successors and assigns).

WHEREAS:

Transferee is desirous of acquiring membership rights of MCX from , the Transferor herein. The Transferor has decided to transfer his/her/ their Membership right of MCX to the Transferee subject to approval of MCX and pursuant to the provisions of Bye-Laws, Rules, Business Rules including Circulars and instructions issued by MCX from time to time.

NOW THEREFORE, in consideration of and as a condition precedent for MCX permitting of the Transfer of membership, the Transferee undertakes as follows:

1. The Transferee undertakes that he / it will not commit any breach of the provisions of Bye- Laws, Rules, Business Rules of the Exchange including any circular, order, direction, notice, instruction issued by MCX from time to time;

2. The Transferee undertakes that he/it will maintain and preserve such information, records, books and documents received from the Transferor for a minimum period of 3 years or such other period as may be required by MCX or FMC or any other authority;

3. The Transferee undertakes to produce the above said documents , if any , as and when required by MCX / FMC for inspection and give access to all records, books, information, documents, etc. in the form as may be required by MCX or FMC or any other statutory authority;

4. The Transferee undertakes that he/She/it has received all the documents, registers, records from the Transferor pertaining to the membership under transfer and further undertakes to obtain necessary **no objection** from the existing clients of the Transferor to continue to deal with them as his/her/ its clients;

5. The Transferee further undertakes that "Know Your Client" (KYC) requirement of the existing client of the Transferor will be fully completed/ updated before commencement of any dealings with them;

6. The Transferee undertakes and represents that he/she/ it has not been declared defaulter by any other Commodity or Stock Exchange;

7. The Transferee hereby confirms and undertakes that he /she/ it will acquire / has acquired proposed membership right from the Transferor for lawful consideration only.

8. That the Transferee represents and undertakes that it/he/she is legally qualified to become a member as per the Bye- Laws, Business Rules, Rules and requirements of MCX and is not a director/ partner/ associate/holding company or subsidiary company of an existing member of MCX.

9. The Transferee undertakes to remain liable for the commissions and omissions done by him/her/it and undertakes that MCX has full right and authority to take such actions against the Transferee as deemed fit under the provisions of Bye- Laws, Business Rules, Rules of the Exchange including any circular, order, direction, notice, instruction issued by MCX from time to time and undertake to abide by such decisions of MCX;

10. The Transferee hereby undertakes that in case of default of the Transferor in settling the claims/ demands/dues arising before transfer, the Transferee shall be liable to pay the dues of MCX. The Transferee further agrees that in case of default of the Transferee, MCX shall be legally entitled to attach through due process of law all personal, movable and immovable, properties of the Transferee;

11. That the Transferee undertakes that as on date he/she/ it has not received any notice in connection with any insolvency proceedings or creditors winding up proceedings and no legal proceedings pending against the Transferee. The Transferee further represents that FMC or any commodity exchange has not taken any disciplinary action against him/her/ it.

12. That the Transferee further undertakes that subsequent to transfer, in the event of failure on the part of Transferor to pay any liability, demand, charges etc. which had arisen prior to transfer the same shall be recovered from the Transferee.

13. That without prejudice to the rights, remedies will be available to MCX upon the Transferee's non-compliance with this Undertaking, the Transferee shall indemnify and keep indemnified MCX against any loss/damage suffered by MCX by virtue of this transfer and on account of violation of this undertaking.

14. Transferee understands and undertakes that this transfer per se does not entitle him to the membership of MCX and that he/she/it has to otherwise qualify for the membership, and that he/it will file necessary application as per format prescribed by MCX, attend an interview before the Membership Admission Committee and pay necessary fees, security deposit VSAT charges or any other charges as may be required to MCX to become member of MCX and that if found and not qualified MCX has every right to reject the membership.

15. Transferee acknowledges and undertakes that the consideration is being exchanged directly between himself/herself/itself and the Transferor. MCX is hereby authorised to proceed for transfer of membership based on the “Agreement for the transfer of Membership”, undertakings, and other necessary documents executed for transfer of membership and that the transfer process will not be stalled/challenged subsequently for lack or inadequacy of consideration or for any other reason whatsoever or dispute between the transferee and the transferor.

16. The Transferee hereby confirms that the information provided in this Undertaking is true and correct to the best of the knowledge and belief of the Transferee.

Name:

Signature:

Address:

Witnesses:

Annexure –5(a)

BOARD RESOLUTION (Transferee)

(CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF _____ (NAME OF COMPANY) HELD ON_____ (DATE) AT _____ (PLACE OF MEETING)

Resolved that the Board of Directors of the company be and do hereby authorize the company to acquire the Membership rights of Multi Commodity Exchange of India Ltd from _____(Name of the Transferor) and to make the necessary application and give the necessary undertakings, affidavits and such other documents as may be necessary for effecting the transfer of Membership in the Name of the company.

Resolved further that the company authorizes Shri_____ (Director of the company) to execute all the necessary documents including irrevocable undertaking and to submit all such other necessary paper as are required by Multi Commodity Exchange of India Limited from time to time.

Certified to be true

For _____ (Name of Company)

_____ (Signature)

(Affix Rubber Stamp of the company)

Annexure – 5(b)

BOARD RESOLUTION (Transferor)

(CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF _____ (NAME OF COMPANY) HELD ON_____ (DATE) AT _____ (PLACE OF MEETING)

Resolved that the Board of Directors of the company be and do hereby authorize the company to transfer of Membership rights of Multi Commodity Exchange of India Ltd to _____(Name of the Transferee) and to make the necessary application and give the necessary undertakings, affidavits and such other documents as may be necessary for effecting the transfer of Membership to _____(Name of the Transferee).

Resolved further that the company authorizes Shri_____ (Director of the company) to execute all the necessary documents including irrevocable undertaking and to submit all such other necessary paper as are required by Multi Commodity Exchange of India Limited from time to time.

Certified to be true

For _____ (Name of Company)

_____ (Signature)

(Affix Rubber Stamp of the company)

Annexure - 6

MEM/RD/05

Format of Networth Certificate

Certificate dated …….. submitted by ……. with MCX (For Corporates, Partnership Firms, Individuals, Sole Proprietor, Institutions, Co-operative Societies)

CERTIFICATE

This is to certify that the Net worth of M/s. / Mr. / Ms. …… as on ……. 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 the Partner/
Proprietor
Chartered Accountant
Membership Number

Computation of Networth 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 to be computed as per any of the formats 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.

OR

Method 2:

By valuation of assets on the following basis:

A. Listed (Quoted) investments in the name of the applicant (at market value) (Detailed list to be enclosed)
B. Margin of 30% on market value of listed (quoted) Investments
C. Net value of listed Investments (A) – (B)
D. Investments in unlisted (unquoted) companies (as per note no. 2)
E. Margin of 50% on (D)
F. Net value of unlisted Investments (D) – (E)
G. Other Investments (at cost) like PPF, NSC at current value, Statutory deposits with MCX, Deposits with registered NBFCs, Bank FDs
H. Total Net Investments (C) + (F) + (G)
I. Market Value of Land & Building component of the Fixed Assets (Full details of such assets like survey number, location, address, extent of land & building to be furnished)
J. Margin on I at 50%
K. Net value of such fixed assets (I – J).
L. Debtors not exceeding 3 months + Cash & Bank balance
M. Current Liabilities
N. Long term liabilities
O. Net worth (H + K + L) – (M + N)

Notes:-

1. Valuation of fixed assets for the consideration of net worth would have to be certified by government approved valuers 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 leased out by the member or 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 “break up 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.

b) The “earning value” means the value of an equity share computed by taking the average of profits after tax as reduced by the preference dividend and adjusted for extra-ordinary and non-recurring items, for the immediately preceding three years and further divided by the number of equity shares of the investee company and capitalised at the following rate: -
   In case of predominantly manufacturing company, eight percent;
   In case of predominantly trading company, ten percent; and
   In case of any other company, including an NBFC, twelve percent;
   If, an investee company is a loss making company, the earning value will be taken at zero. (For e.g. earning value for an NBFC with capitalisation rate of 12%, is earning per share multiplied by 100/12)

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 Court (Trial of Offences Relating to Transactions in Securities) Act, 1992 are to be excluded for the purpose of computation of net worth.

Annexure 7

MEM/RD/16

SHAREHOLDING PATTERN (FOR CORPORATE)
(ON COMPANY'S LETTER HEAD)

SHAREHOLDING PATTERN _____ (Name of Member) as on _____
Paid up capital : Rs.

Face value of each equity share (or any other instrument): _____ Rs. _____

Sr. no.	Name #	Number of shares held	Amt paid-up (Rs.)	%age of total
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
Others @				
TOTAL				**100%**

NOTES :
In case of body corporate, give similar details thereof separately.
@ Persons holding 5% or more of the paid up capital should be shown separately and not clubbed in Others.

DATE:

1. _____
_____
SIGNATURE(s)
DESIGNATED DIRECTORS
WITH THEIR NAMES

2. _____
_____
SIGNATURE(s)
DESIGNATED DIRECTORS
WITH THEIR NAMES

PLACE:

Rubber stamp

Rubber stamp

AUDITOR'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
Rubber stamp

SHARING PATTERN (FOR PARTNERSHIP FIRM)
(ON FIRM'S LETTER HEAD)

SHARING PATTERN of _____(Member Name)
as on _____

Sr. no.	Name	Capital in the Firm	Share in Profits	Share in Losses
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
TOTAL			**100%**	**100%**

Date:

Place:

Signature of Manaing Partner(s)
Rubber stamp

CERTIFICATE

This is to certify that the Capital and Sharing Pattern of _____ 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.

Date:

For (Name of Accounting Firm)

Place:

Name of Partner
Chartered Accountant
Membership Number
Rubber stamp

DPG-1:

Details of Dominant Promoter Group as on _____

S. No	**Name**	**No of Shares***		**Total Amount Paid***		**% of total***		**Total**
		Self	**Relative**	**Self**	**Relative**	**Self**	**Relative**	
1								
2								
3								
4								

Total:

Date:

Place: Signature(s)

CERTIFICATE

This is to certify that the shareholding_____ 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 the information provided to my /our satisfaction.

Date: For (Name of Chartered Accountant firm)
Place:

_____

Name of Proprietor / Partner
Stamp of the firm of Chartered Accountants
Membership Number:

*For arriving at the shareholding of persons constituting the Dominant Promoter Group the shareholding of close relatives, namely parents, spouse, children and their descendants, brothers, sisters and associates only may also be counted provided these relatives give an irrevocable, unconditional support in writing on the prescribed format of Exchange.

DPG-2:

Undertaking from Relative of Persons constituting DPG (Dominant Promoter / Partner Group)

{Each relative is to submit separate copy of this disclosure in the form of Annexure }

I, Mr. /Ms. / Mrs. _____, son / daughter / wife of _____ resident of _____ _____ declare that

I am the absolute owner of _____ (Number of shares)Shares of Rs._____each of Rs._____ per share paid up, which constitutes_____ % of the total paid up capital of the company_____ Private Limited / Limited _____ as on this date.

OR*

I am partner in the Partnership Firm_____ For sharing profit and loss to the extent of ____% as as_____ (Date)

* Strike out whichever is not applicable.

I state that I shall irrevocably and unconditionally support in respect of my

Shareholding / sharing pattern. Mr. / Mrs._____, a shareholder / partner

in the above mentioned company / partnership firm. I further state that I have no objection

to my above mentioned shareholding / sharing pattern being clubbed with the

shareholding / sharing pattern of Mr / Mrs_____ who is

my_____ (give relationship with the latter) for the purpose of determining the

dominant promoter / partner group of the said Company / Partnership Firm

This support is irrevocable and I also undertake to give prior information to the Multi Commodity Exchange of India Limited before selling or otherwise transferring my part or whole of my above mentioned shareholding / sharing pattern.

WITNESS BY:

(1)Name: (2) Name:

Address: Address:

Signature: Signature:

Place: Place:

Date: Date:

CERTIFICATE

This is to certify that the shareholding / sharing pattern of _____ as indicated 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.

Date:
Place:

For (Name of Chartered Accountant firm)

_____

Name of Proprietor / Partner
Chartered Accountants
Membership Number:
Stamp of the firm

*For arriving at the shareholding of persons constituting the Dominant Promoter Group the shareholding of close relatives, namely parents, spouse, children and their descendants, brothers, sisters and associates only may also be counted provided these relatives give an irrevocable, unconditional support in writing on the prescribed format of Exchange.

DPG-2:

UNDERTAKING FROM CORPORATES SUPPORTING

We, M/s _____ Limited, incorporated as a company under the Companies Act, 1956 and having its registered office at: _____ do hereby state that:

(a) The shareholding of Mr. / Ms. _____* in our company in direct proportion to our shareholding in the TCM company.

(b) We are having_____% shareholder of the TCM Company and Mr. / Ms _____ dominant promoters of the Trading Member Company along with his / her specified relatives i.e. _____ are having_____% shareholding in our company.

(c) Mr. / Ms _____* have requested Multi Commodity Exchange of India Limited to consider their shareholding in our company in the irrevocable undertaking extending unconditional support to Mr. / Ms_____
(Name of the Dominant Promoters of the TCM company) to enable Multi Commodity Exchange of India Limited to consider aforesaid as dominant group.

(d) We hereby extend our unconditional and irrevocable support in support of Mr. / Ms _____ (Name of the Dominant Promoters of TCM company) for the purpose of the determining the dominant group in the said TCM company.

(e) We also undertake to give prior information to Multi Commodity Exchange of India Limited before effecting any change in the shareholding of Mr. / Ms _____*

WITNESS BY:

(1) Name:	(2) Name:
Address:	Address:
Signature:	Signature:
Place:	Place:
Date:	Date:

* Name of Dominant Promoters of the TCM Company along with their specified relatives having shareholding in the corporate giving the undertaking.

CERTIFICATE

This is to certify that the shareholding of _____ as mentioned below, based

on my /our scrutiny of the books of accounts, records and documents.

We further certify that the information given above is true and correct to the best of our knowledge and as per the information provided to our satisfaction.

Sr No	Name of Shareholder	No of Shares	Paid up Share Capital	% of share holding

For _____

Date:
Place:

Name of Chartered Accountant Firm
Membership Number
Stamp of firm of Chartered Accountant Firm

Annexure 8

Transfer of Membership

Name of Member
Address

Member of
MCX
Registered Office: 102 A, Landmark,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093.

NOTICE is hereby given that Mr./Ms./M/s. _____, Member of MCX having Membership ID No. _____ and Forward Markets Commission, Unique Member Code No. as _____ are applying / have applied to MCX for transfer of our Membership.

Any client/person having any claim / dispute / grievance against us arising out of our transactions in commodities futures through MCX may furnish details of his / their claim in writing to the Membership Department of the Exchange (MCX) at the Registered Office address indicated above, enclosing therewith all supporting documents, within 15 days of the publication of this Notice.

For _____ (Trade Name of the Member).

Signature of the Authorized Person

Name of the Authorized Signatory

Designation

Date:

Place: