

### Revised Base Networth Requirement & Method of Computation

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

Segment	Type of membership	Revised Base Networth - Applicable from 23.02.2023 (Effective 31.03.2023 submissions Rs.in crores)	Revised Base Networth - Applicable from 23.02.2024 (Effective 31.03.2024 submissions Rs. in crores)
Cash	TM	0.25	1.00
	SCM	3.00	5.00
	TCM	10.00	15.00
Equity Derivative	TM	0.25	1.00
	SCM	3.00	5.00
	TCM	10.00	15.00
Currency Derivatives	TM	1.00 500.00 (For Banks)	1.00 500.00 (For Banks)
	SCM	5.00 500.00 (For Banks)	5.00 500.00 (For Banks)
	TCM	10.00 500.00 (For Banks)	15.00 500.00 (For Banks)
New Debt	TM	0.50	1.00
	SCM	3.00	5.00
	TCM	10.00	15.00
Commodity Derivatives	TM	Corporate - Rs.25 lakhs/ Non-corporate - Rs.10 lakhs	1.00
	SCM	3.00	5.00
	TCM	10.00	15.00
EGR	TM	0.25	1.00
	SCM	3.00	5.00
	TCM	10.00	15.00

Networth requirement of minimum Rs.3 crores is applicable to members, who have availed margin trading facility.

**(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 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 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 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 Accountant / Company Secretary**

**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 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 Networth 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 BSE Notice No.20170403-41 dated April 03, 2017, BSE Notice No. 20171003-22 dated October 03, 2017 and BSE Notice No. 20171003-13 dated October 03, 2017, BSE Notice No. 20170619-26 dated June 19, 2017, BSE Notice No. 20170803-5 dated August 03, 2017 and BSE Notice No 20170803-1 dated August 03, 2017

**Place:**

**For (Name of Certifying Firm)**

**Date:**

**UDIN:**

**Name of Partner/Proprietor  
Chartered Accountant  
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