

Ace Derivatives and Commodity Exchange Limited

Membership Documentation for Individual/Proprietor /HUF

Checklist

Sr. No.	Annexure	Particulars	Compliance (Yes / No)
1.	-	Membership Application Form	
2.	C1	Net worth certificate along with computation sheet duly certified by CA	
3.	C2	Details of Individual/Proprietor/Karta	
4.	C3	No other membership Undertaking	
5.	C4	Clearing Member confirmation	
6.	-	Demand Draft/Pay order/ at par cheque drawn in favour of “ Ace Derivatives and Commodity Exchange Limited ” payable at Mumbai towards membership fees and deposits	
7.	-	Certified true copy of Bank account proof. (Please enclose Bank Pass Book / Latest Bank Statement not older than 3 months/cancelled cheque)	
8.	-	Certified true copy of registered address proof of Individual/Proprietorship Firm/HUF (Driving License / Passport/ Ration Card/ Telephone Bill/ Electricity Bill)	
9	-	Certified true copy of correspondence address proof of Individual/ Proprietor /Karta (If different from registered address) (Driving License / Passport/ Ration Card/ Telephone Bill/ Electricity Bill)	
10	-	Certified true copy of PAN Card of the Applicant and Proprietor/Karta and certified true copy of residence address proof of Individual/Proprietor/Karta.	
11	-	Two Passport size photographs of the Individual/Proprietor/Karta.	
12	-	Certified true copy of Latest Audited Balance Sheet and P&L A/C.	
13	C5	Declaration of Individual/Proprietor/Karta	
14	C6	FMC Member Registration Form (MR Form)	
15	C7	Business Undertaking	
16	C8	BPO/KPO Undertaking	

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

Membership Department
Ace Derivatives and Commodity Exchange Limited
 6th Floor- Zone II, Kotak Infinity, Building No. 21,
 Infinity IT Park, General A K Vaidya Marg,
 Dindoshi, Malad (E), Mumbai – 400 097.

E-mail: membership@aceindia.com

Annexure C1: Networth 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 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.

Place: _____

For (Name of Accounting Firm)

Date : _____

Name of Partner/Proprietor

Membership Number

Rubber Stamp

Note: Detailed computation to be attached to this certificate.

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. Members may choose any one method, which should then be followed always. Any change in method will require prior approval from the Exchange

Method 1:

The net worth should be computed either as per the format given below:

(Rs. In Lakhs)

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: _____

(Name of Accounting Firm)

Date: _____

Name Partner/Proprietor

Membership Number

Rubber stamp

Method 2:

By valuation of assets on the following basis:

A.	Listed (Quoted) investments in the name of the applicant (at market value)	
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) with PPF and NSC at current value, Statutory deposits with Ace, Deposits with registered NBFCs, Bank FDs	
H.	Total Net Investments (C) + (F) + (G)	
I.	Market Value of Land & Building component of the Fixed Assets	
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.	Networth (H + K + L) – (M + N)	

Place: _____

(Name of Accounting Firm)

Date: _____

Name Partner/Proprietor_____
Membership Number_____
Rubber stamp

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 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 capitalization rate of 12%, is earning per share multiplied by 100/12)

3. 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.

4. Debtors should be distinguished as debtors arising from commodity operations and others.

5. Value of membership card / Deposits with any other Stock / Commodity Exchange are to be excluded for the purpose of computation of net worth.

6. 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 C2: Details of Individual/Proprietor/Karta

(On the letter head of Member)

To,
Membership Department
Ace Derivatives and Commodity Exchange Limited
6th Floor- Zone II, Kotak Infinity, Building No. 21,
Infinity IT Park, General A K Vaidya Marg,
Dindoshi, Malad (E), Mumbai – 400 097.

Details of Individual/Proprietor/Karta as on _____

Sr. No	Description	Details
1	Name	
2	Date Of Birth	
3	Educational Qualification	
4	PAN	
5	Residential Address	
6	Telephone, Mobile No and Email ID	
7	Directorship/ controlling stake in other companies/partnership firm/LLP	

Signature and seal of the member

Authorised Signatory

Place: _____

Date: _____

Annexure C3: No other membership undertaking

(On the letter head of Member)

To,
Membership Department
Ace Derivatives and Commodity Exchange Limited
6th Floor- Zone II, Kotak Infinity, Building No. 21,
Infinity IT Park, General A K Vaidya Marg,
Dindoshi, Malad (E), Mumbai – 400 097.
Dear Sir,

I have applied for the membership of the Ace Derivatives and Commodity Exchange Limited (Ace) in the name and style of “_____”
_____”

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

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 Ace.

I declare that the information given above is true.

Yours faithfully,

Signature and seal of the member

Authorised Signatory

Place: _____

Date: _____

Annexure C5: Declaration of Individual/ Proprietor/Karta

(On the letter head of Member)

To,
Membership Department
Ace Derivatives and Commodity Exchange Limited
6th Floor- Zone II, Kotak Infinity, Building No. 21,
Infinity IT Park, General A K Vaidya Marg,
Dindoshi, Malad (E), Mumbai – 400 097.

Dear Sir,

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

- a. Are not debarred/suspended/declared defaulters by SEBI/FMC/RBI/any recognized Stock Exchange/Commodity Exchange.
- b. Are not connected with any of the defaulting/ suspended member of any recognized Stock Exchange/Commodity Exchange.
- c. There are no complaints/disciplinary action against us at SEBI/FMC/RBI/any recognized Stock Exchange/Commodity Exchange.
- d. Have no investigation/ enquiry by SEBI/FMC/RBI/any recognized Stock Exchange/Commodity 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 or any statutory body in future, I undertake to intimate the Exchange immediately.

I declare that the information given above is true.

Yours faithfully

Signature and seal of the member

Authorised Signatory

Place: _____

Date: _____

Annexure C6: Form (MR)

(On the letter head of Member)

**GOVERNMENT OF INDIA
FORWARD MARKETS COMMISSION
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)
Format of the Return to be sent by the Members of the Recognized/Registered
Association for registration with FMC**

Name of the Commodity Exchange: Ace Derivatives and Commodity Exchange Ltd

S.No	Description	Details
1	Name of the Member	
2	Trade Name	
3	Code given by the Exchange	
4	PAN	
5	<u>Complete Registered Address of Member</u>	
	Name of contact person	
	Telephone no. of contact person	
	Fax no. of contact person	
	Telex of contact person	
	Mobile number(s) of contact person	
6	<u>Complete Correspondence Address of Member</u>	
	Name of contact person	
	Telephone no. of contact person	
	Fax no. of contact person	
	Telex of contact person	
	Mobile number(s) of contact person	
7	Type of Membership	
	A) Trading Member	
	B) Clearing Member	
	C) Trading cum Clearing Member	
8	If the Member is only trading member, give Name and UMC of Clearing Member	
9	Date of admission to Membership in Exchange	
10	Form of the Member: Sole Proprietorship/Partnership/ Corporate body	

11	Interested Commodities for Trading	
12	<u>If Corporate Body then furnish following:-</u>	
	1. Place of Incorporation	
	2. Date of Incorporation 3. ROC Registration number	
13	Name and other details of Proprietor/ Partners/ Directors	
14	Name and complete contact details of Chief Compliance Officer	
15	Whether any director or its partners at any time convicted of any offence. If so, furnish the details if any disciplinary and criminal history Or Whether the director or partners declared insolvent/commodity/stock market. If yes, furnish details.	
16	Networth (in lacs) of the Member. Please furnish annually updated details and necessary documents in support there of	
17	Whether Voice Recorder are installed for trade order recording (Yes/No)	
18	Share Holding Details	
19	a. Are Member's subsidiaries registered as trading/ clearing member of securities market? – Yes / No	
	b. If "Yes", then provide the details of subsidiary, its registration numbers, address etc.	
20	Whether the applicant or its sales personnel or approved user has passed any certification programme? If so, please specify details	

21	The experience of the applicant or their two directors or partners in commodity trading or security market. If so, please give details	
22	Whether the applicant or its directors or partners at any time subjected to any proceedings or penalty by the Board under SEBI Act or any of the regulations framed under the SEBI Act? If so, please furnish the details	

I declare that the information given in this form is true to the best of my knowledge and belief and in the event of any information furnished is false, misleading or suppression of facts; my certificate of registration is liable to be cancelled by FMC without assigning any reasons whatsoever.

Signature _____

Name of the Member

Place: _____

Date : _____

Confirmation / Recommendation of the Exchange

This is to certify that _____
is a member of Ace Derivatives and Commodity Exchange Limited, the above information is verified and is recommended for registration with the Forward Markets Commission.

Place:

Signature of Authorised Person/ Officer:

Date:

Name:

Designation:

Rubber stamp of the Exchange

Annexure C7: Business Undertaking

(On the letter head of Member)

Business Undertaking Form- Individual/Proprietor /HUF

To,
Membership Department
Ace Derivatives and Commodity Exchange Limited
6th Floor- Zone II, Kotak Infinity, Building No. 21,
Infinity IT Park, General A K Vaidya Marg,
Dindoshi, Malad (E), Mumbai – 400 097.

Dear Sir,

I _____ (Name of Individual/
Proprietor/ Karta), 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 _____
_____ (Trade Name of the
Member)

I also confirm/undertake that I intend to carry a business related to commodities and
commodity related derivatives/futures trading only.

Yours faithfully

Signature and seal of the member

Authorised Signatory

Place: _____

Date: _____

Annexure C8: BPO/KPO Undertaking

(On the letter head of Member)

Undertaking for not dealing in BPO/KPO Services

To,
Membership Department
Ace Derivatives and Commodity Exchange Limited
6th Floor- Zone II, Kotak Infinity, Building No. 21,
Infinity IT Park, General A K Vaidya Marg,
Dindoshi, Malad (E), Mumbai – 400 097.

Dear Sir,

I, _____ (Name of the member)
hereby confirm/undertake that:

1. I / my related entity (ies) are not providing any Business Process Outsourcing / Knowledge Process Outsourcing (BPO/KPO) services to foreign clients trading on foreign commodity exchanges.
2. Further I _____ (Name of the Member) also undertake that, I / my related entity(ies), shall not engage in future also in any Business Process Outsourcing / Knowledge Process Outsourcing (BPO/KPO) services to foreign clients trading on foreign commodity exchanges

Yours faithfully

Signature and seal of the member

Authorised Signatory

Place: _____

Date: _____