

Nepal Derivative Exchange Limited
Membership Documentation for Body Corporate

Checklist

Sr.no	Annexure	Particulars	Compliance (Yes/No)
2	A1	Covering letter of the member enclosing list of documents/details/DD etc	
3	A2	Application Form.	
4	A3	Board Resolution to take the Membership of the Exchange	
5	A4	Certificate of Net Worth supporting with Balance Sheet and P&L account (Not more than 6 months old)	
6	A5	Details of Directors	
7	A6	No other membership Undertaking (To be submitted for each of the Designated Directors)	
8	A7	Details of shareholding pattern	
9	A8	Details of Dominant Promoter Group	
10	A9	-	
11	A10	-	
12	A11	Demand Draft/Pay order/at par cheque drawn in favour of “ Nepal Derivatives Exchange Limited ” payable at Kathmandu towards membership fees and deposits	
13	A12	Proof of Bank account in the name of Body Corporate (Please enclose Bank Pass Book / Latest Bank Statement not older than 3 months)	
14	A13	Address Proof of the Company (Telephone Bill/ Electricity Bill/ copy of Form)	

15		Certified true copy of PAN Card of the Company Certified true copy of PAN Card of all the Directors, Bio-data with complete details of Education & Experience and Residence proof of all Designated Directors	
16		Photographs of all the Designated Directors.	
17	-	Certified true copies of latest Annual Report	
18	-	Certified true copy of certificate of incorporation / Registration documents/ Memorandum and Articles of Association or its equivalent.	
19	A10	Declaration of Directors	
20	A11	-	
21	A12	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 A1: Covering Letter

(On the letterhead of Applicant)

Date:

To,

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

Dear Sir,

Subject: Application for Membership with Nepal Derivative Exchange Limited.

We are interested to become the Professional Clearing Member of **Nepal Derivative Exchange Limited** and forward herewith application form along with documents for approval of membership with **Nepal Derivative Exchange Limited**.

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 applicant)

1. Authorized Signatory
(Designated Director)

2. Authorized Signatory

(Designated Director)

Company Stamp

Annexure A2: Certified Copy of Resolution

(On letter-head of Applicant)

Membership of Nepal Derivative Exchange Limited

'Resolved that the consent of the Board be and is hereby granted to Company to obtain membership of Nepal Derivative Exchange Limited under the category of Professional Clearing Member.

Resolved further that the Board hereby designates Mr. /Ms _____
_____ and Mr./Ms _____ to be the authorized representatives of the company and they are hereby authorized to act as designated director / representatives on behalf of the company for all matters related to membership of Nepal Derivative Exchange Limited.

Resolved Further that Mr. /Ms _____ (name with designation) AND/OR Mr. /Ms _____ (name with designation) of the company are also authorized to execute individually / jointly all documents / agreements on behalf of the company for acquiring the membership and operations of Nepal Derivatives Exchange Limited and all the acts done or to be done by Mr./Ms _____ AND/OR Mr./Ms _____ of the company shall be binding on the company.'

For
Chairman / Director / Company Secretary
Place:

(On letter-head of Applicant)

Specimen Signatures of Authorized Signatories:

Name of Authorized Signatory	Specimen Signature

Annexure A3: 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 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. 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 "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.

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 Court are to be excluded for the purpose of computation of net worth.

Annexure A4: Details of Directors

(On letter-head of applicant)

Date: _____

To,

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

Details of Directors as on _____

Name		
Father Name		
Date of Birth		
Education Qualification		
PAN		
Residential Address, Mobile, Telephone ,Email and Fax		
Designated directors (Yes/No)		
No of Shares		
Shareholding Amount(Rs.)		
Shareholding %		
Directorships/ controlling shareholding in other cost		

NOTES:

1. Designation of the Director must match with the details of Directors
2. These details are to be submitted for all the Director(s)
3. Identify at least two designated directors (A designated director has to be Under Graduate/Graduate/Post Graduate/ Professional and possesses requisite experience pertaining to derivatives or commodities Future Market).

1. Authorized Signatory

(Designated Director)

Place: _____

2. Authorized Signatory

(Designated Director)

Company Stamp

Annexure A5: No other membership undertaking

Format of Undertaking – Corporate Entity

(To be given by the Member on his letterhead and to be signed by the Designated Director and put the Company stamp of the company)

Date:

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

Dear Sir,

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

I, _____(name of designated director), Nepali national, has been appointed as designated director in the above stated entity of the NDEX hereby confirms that I am not Proprietor / Karta / Designated Partner / Designated Director in any other entity having the membership of the NDEX.

Further I / We confirm that I / We satisfies 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 / We declare that the information given above is true.

Yours faithfully,

For (Name of the Member)

Signature of the Designated Director

Name:

Place:

Annexure A6: Shareholding Pattern

(On letter-head of applicant)

Date: _____

To

Membership Department

Nepal Derivative Exchange Limited

Tinkune, Subidhanagar, Kathmandu

Share holding Pattern of

M/s _____

as on _____ Paid Up Capital Rs. _____

S.N	Name of the shareholder	Number of shares held	Face value per share	Amt Paid up (Rs.)	% of total
1					
2					
3					
4					
5					

1. _____

2. _____

Signature of Designated Director

Signature of Designated Director

Company Stamp

Please take signatures and stamp of Designated Director & Chartered Accountant on this page

S.N	Name of the shareholder	Number of shares held	Face value per share	Amt Paid up (Rs.)	% of total
7					
8					
9					
10					
Other					
Total					100%

NOTES: 1. In case of body corporate holding 20 % or more of the paid up capital in the member entity, the details of their shareholding shall also be furnished in the same format as given above

Date: _____

Place: _____

1. _____
Signature of Designated Director

2. _____
Signature of Designated Director

Company Stamp

Company Stamp

Please take signatures and stamp of Designated Director & Chartered Accountant on this page.

CERTIFICATE

(To be given by a practicing Chartered Accountant)

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: _____

Date: For (Name of Accounting Firm)
Name Partner/Proprietor

Membership Number

Company stamp

Annexure A7: Dominant Promoter Group

(On letter-head of applicant)

Date: _____

To

Membership Department

Nepal Derivative Exchange Limited

Tinkune Subidhanagar, Kathmandu.

Details of Dominant Promoter Group as on _____

Sr. no	Name of dominant shareholder	Name of person (s) supporting dominant shareholder	Relation	Name of Share held	Total amount paid up capital	% of Total		% of Total
						Self	Relative	
1								
2								

1. Authorized Signatory

2. Authorized Signatory

(Designated Director)
Company Stamp

(Designated Director)

Sr. no	Name of dominant shareholder	Name of person (s) supporting dominant shareholder	Relation	Name of Share held	Total amount paid up capital	% of Total		% of Total
						Self	Relative	
1								
2								
Total								

Notes:

1. 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 and sisters only may also be counted provided these relatives have given an irrevocable, unconditional support in writing in the prescribed format to the Exchange.

\$ Please specify relation of person supporting dominant shareholder

Date: _____

Place: _____

1. Authorized Signatory

2. Authorized Signatory

(Designated Director)

(Designated Director)

Company Stamp

**Undertaking from relative of persons constituting Dominant Promoter Group
(If applicable)**

I Mr. / Ms. / Mrs. _____, son/daughter/wife of Mr. _____,
resident of _____ I am the absolute owner of _____ (no.) of
shares of Rs. each, Rs. per share paid up, which constitutes% of the total paid up capital of the
company _____private limited/ limited as on this date.

I state that I shall irrevocably and unconditionally support in respect of my shareholding, Mr./Ms
_____a shareholder in the above mentioned company. I further state that I have no
objection to my above mentioned shareholding being clubbed with the shareholding of Mr. who is my
(give relations with the latter) for the purpose of determining the dominant promoter group of the said
company.

This support is irrevocable and I also undertake to give prior information to Nepal Derivatives
Exchange Limited before selling or otherwise transferring any part or whole of my above mentioned
shareholding.

Signature

(Name of the Relative of Persons constituting DPG)

Date:

WITNESSED BY:

(1) Name:
Address:

(2) Name:
Address:

Signature:
Place:
Date:

Signature:
Place:
Date

**Note: For arriving at the sharing of persons constituting the Dominant promoter group, the
sharing of close relatives, namely parents, spouse, children and their descendants, brothers and
sisters only may be counted provided these relatives give an irrevocable, unconditional support in
writing on the prescribed format**