



Application seeking Corporate Deposit Based Membership of
The Calcutta Stock Exchange Limited

(to be typed on the Letter Head of Corporate entity)

To
CEO & Managing Director
The Calcutta Stock Exchange Limited,
7, Lyons Range,
Kolkata.700 001.

Madam/Sir,

Sub: Application for admission to Deposit Based Membership of CSE

We,.....(Name).....(Address).....
.....(Telephone including Mobile) hereby apply for Deposit Based Membership on the
Calcutta Stock Exchange Limited.

We are forwarding to you the relevant documents as per your checklist attached alongwith this form for your kind perusal.

We request you to kindly accept our application and consider us for admission as Deposit Based member on the Calcutta Stock Exchange Limited ("the Exchange"). We confirm that all statements and the declaration made by us are true and correct. We understand that CSE is free to initiate such action as may be deemed necessary including termination of our membership and forfeiture of admission and other fees paid by us, if any of our declarations/statements are found to be incorrect. We further confirm that we also fulfill the eligibility requirements for Deposit Based Membership of Stock Exchange as laid down in Rule of Securities Contract (Regulations) Rules,1957.

We hereby undertake to conform to and to abide by the Memorandum & Articles of Association and the Rules, Bye-Laws, Regulations, Business-Rules, Circular, Notifications and office orders, issued by the Exchange from time to time. We shall be liable for all contracts and transactions, in the exchange and in any other trading platform as available for trading in the capacity of a trading member of the Exchange, entered by us or by our authorized representatives and we shall comply with all requirements of the Exchange relating to settlement thereof. We also abide by all decisions of the Exchange with respect to the operation of the Exchange and would perform accordingly in meeting our financial, regulatory and operational responsibility as decided by the Exchange from time to time.

Please find enclosed our application along with a demand draft No.amounting to Rs.10,000/- as admission fees plus service tax @ 10.30% payable at par in Kolkata in favour of 'The Calcutta Stock Exchange Limited'. Please write the name of the company on the reverse of the Demand Draft.

Date :

Place : Kolkata

Signature of the Whole Time Director.
Name of the Company

**CHECK LIST OF DOCUMENTS ATTACHED ALONGWITH THE APPLICATION FOR
CSE DEPOSIT BASED MEMBERSHIP**

[please (✓) tick the relevant documents being attached]

1.	Shareholding pattern and certificate from a Chartered Accountants as per enclosed format – Refer Annexure-B	
2.	Paid up Share capital and certificate from a Chartered Accountant (Specifying shares are issued for cash or for consideration other than cash) Net worth Certificate from Chartered Accountant	
3.	Net worth Certificate from Chartered Accountant – Refer Annexure – B-1 & B-2.	
4.	Constitution of board of directors specifying names of Whole Time Directors and Ordinary Directors) Refer Annexure – B-7	
5.	Proof of age of Whole Time Directors	
6.	Educational Qualifications of Whole Time Directors	
7.	Bio-data of the Directors/Core Dealers (should give detailed information of the nature of work and number of years experience in each position). Specify number of years experience in activities related to securities industry, banking service, financial services etc. With relevant details (Signed by concerned directors)	
8.	Experience Certificate of Whole Time Directors	
9.	No objection certificate from the Stock Exchange where the company is also a member of the concerned Stock Exchange	
10.	Organizational chart and infrastructure	
11.	Latest Audited Balance Sheet	
12.	Certificate of Incorporation	
13.	Pan Card of Whole Time Director	
14.	Specimen signature of Whole Time Director in Company Letterhead	
15.	Residential proof of Whole Time Director	
16.	Proof of Address of the Company	
17.	Xerox copy of Pan Card of the Company	
18.	No objection certificate from the Stock Exchange where the company is a member, if any	
19.	SEBI Registration Xerox of the respective Stock Exchange	
20.	A copy of Memorandum and Articles of Association	
	Memorandum & Articles of Association and certificate of Incorporation with following clauses to be incorporated in AOA	
i)	Any increase or reduction in capital or change in the share holding pattern of the company will be subject to the prior approval of the Stock Exchange of which the company is a member	
ii)	Any appointment, removal, change or vacation in the office of director shall always be subject to the prior approval of the Stock Exchange of which the company is a member	
iii)	Till such time the company would remain a member of any recognized Stock Exchange, the board may, subject to the prior approval of the Stock Exchange, in writing appointment an Alternate Director to act for a director (hereinafter called the Original Director) during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.	
iv)	Till such time the company would remain a member of any recognized Stock Exchange, two Whole Time Directors having requisite experience as stipulated by the Stock Exchange, upon appointment shall not carry on business either as sole proprietor or as partner of a firm or as director of any other company which is a member of any other Stock Exchange	
v)	Till such time as the company will remain a member of any recognized Stock Exchange, it has to comply with rules or conditions that may be prescribed by the Exchange in this behalf from time to time	
vi)	Till such time as the company will remain a member of any recognized Stock Exchange, the company shall not carry or business other than that of securities as per the provisions of Securities Contracts (Regulation) Rules 1957 and Securities & Exchange Board of India (Stock Brokers & Sub-brokers) Rules and Regulation 1992.	

21.	Sealed confidential Bank Reference (s) Refer Annexure – B-3		
22.	Confirmation / Undertakings : <ul style="list-style-type: none"> ● The company will comply with the norm prescribed by SEBI as per Section 12 of the Securities and Exchange Board of India <input type="checkbox"/> ● The proposed Directors are not disqualified to act in that capacity as per the provisions of the Companies Act,1956 and that they are not persons whose registration as intermediaries been cancelled by SEBI or have been defaulter/expelled from any Stock Exchange <input type="checkbox"/> ● Networth of the corporate member will be maintained as per the requirements of the Capital Adequacy norms prescribed by SEBI <input type="checkbox"/> ● The company shall not engage itself in any business other than Shares and Securities <input type="checkbox"/> ● Undertaking from the directors that they have not been convicted of any offence and presently they are not on trial for offences involving fraud and dishonesty (required to be signed by both the Whole Time Directors) <input type="checkbox"/> ● Undertaking that the directors had not introduced any fake and forged shares in the market (required to be signed by both the Whole Time Directors) <input type="checkbox"/> 		
23.	Certificate in the specified format – Refer Annexure –B-4		
24.	Details of Dominant Promoter Group and certificate from CA in the specified format – Refer Annexure – B-5 (Please see note – 3 below)		
25.	Details of membership in other Stock Exchange – Refer Annexure – B-6		
26.	Undertaking from relative(s) of Dominant Promoter, if applicable – Refer Annexure – B-8		

- Note :
1. All Xerox copies should be attested by a Gazette Officer/Notary Public
 2. The Networth should be computed as on March 31st of the last financial year, (based on audited balance sheet) along with the computation sheet and presented in the prescribed format given in Annexure – B-1 & B-2. For registered firms net worth of each partner should also be submitted. Details of each item considered in the computation should be submitted along with the networth certificate and computation sheet. Thus, details of investments, current assets, current liabilities, fixed assets including land and building, Debtors outstanding for more than 3 months etc. should be specifically stated. Even if the amount of any item involved in the computation is nil, it should be stated in the computation. List of investments valued at market price as on March 31st of the last financial year.

3. Salient features on the concept of Dominant Promoter/Shareholder Group:

- a) Dominant Promoter / Shareholder Group (DPG) is a group of shareholders of the Trading member corporate who normally would be individuals, **not exceeding 4 in number**, and who would jointly and/or severally hold not less than 51 % of shares (40% in case of listed companies) in the trading member corporate at the time of admission as well as subsequently at all relevant points of time.
- b) The shareholding/interest of close relatives of the DPG viz. Parents, spouse, children, brothers and sisters would also be counted for arriving at total dominant holding / interest of a particular dominant shareholder, if such relative(s) give an unqualified and irrevocable support in writing to the concerned dominant shareholder in respect of such holding / interest.
- c) Corporate shareholders of the trading member company can also extend their support to the DPG, provided the shareholding of the Dominant Promoter Group along with the support of their specified relatives in the corporate shareholder is not less than 51 % or 40%, as the case may be. The indirect shareholding shall be calculated proportionately by reckoning the direct shareholding of the DPG along with the support of their specified relatives in the corporate shareholder of the trading member company.
- d) If none of the dominant promoters/ shareholders is a Director on the Board of Directors of the trading member company, then at least two other directors having the requisite experience and qualification shall hold a minimum of 5% shares (each) in the paid up equity capital of the trading member company.
Once a trading entity nominates/ determines a group of shareholders (1 to 4) as the DPG, no other "shareholder (existing or new) would be allowed to join the DPG. However, one or more shareholders within the DPG may be allowed to divest their shares and quit the group. In such an eventuality, it is to be ensured that the remaining dominant shareholders always maintain among themselves, a minimum of 51% of the shares of the company (40% in case of listed trading member corporate) at all points of time.

Failure to maintain this required level of shareholding will be treated as a breach of the continuing membership norms, which would tantamount to a reconstitution of the trading member corporate as the existing DPG would no longer hold controlling interest in the trading member corporate or alternatively a new group would have emerged with controlling stake. CSE would immediately withdraw the trading facility of such trading members. They could be re-instated upon rectifying the defect or seeking the approval of the Exchange for identifying the new group of shareholders as the dominant shareholders, for which the process of going through the Listing, Delisting, Investor Service and Membership Selection Committee and the Board will need to be followed

- e) The DPG may also be permitted to consist of corporate shareholders, provided:
- the trading member is a wholly owned subsidiary of another company
 - the said holding company is not a subsidiary of any other company
 - the identifiable individual dominant promoter(s) (not more than 4) hold atleast 51 % of the share capital of the holding company,

or

there are two or more listed corporate shareholders jointly holding atleast 51 % of the share capital of the holding company

or

one or more listed corporate shareholders along with individual shareholders together, not exceeding four in number, jointly hold atleast 51 % of the shares of the holding company, Provided that in none of the above instances the holding company of the trading member

corporate becomes the subsidiary of another corporate.

- the said dominant promoters undertake in writing, not to dilute their shareholding in the holding company without prior consent of the Exchange.
- Such corporate dominant shareholders are widely held listed Finance companies having net worth of Rs. 20 crores and above and their debt instruments, if any, have been accorded at least investment grade credit rating by reputed rating agencies.
- If such corporate dominant shareholders are non-finance companies listed on CSE and have a net worth of Rs. 20 crores and their debt instruments, if any, have been accorded at least investment grade credit rating by reputed rating agencies, then such a company shall be permitted to be included in the DPG.
- Private Banks, central or state government owned Finance and/or Development Institutions etc are also allowed to be identified as dominant shareholder(s) even if they are not listed provided they have a net-worth of at least Rs. 20 crores and the debt instruments, if any, have investment grade credit rating made by one of the reputed credit rating agencies.
-

The aforesaid norms are also applicable to trading members who are partnership firms. The term dominant shareholder/promoter may be substituted as 'dominant partner'.



APPLICATION FORM
(To be completed in Capital Letters)

1. Name of the Applicant

2. Whether the Company is a Pvt. Ltd./
Public Ltd/(Unlisted)
Public Ltd (Listed)

3. Date of Incorporation and Place:.....
Date Month Year Place

4.a. Registered Address

.....
Telephone.....Fax.....
(Please mention STD code) Email.....

b. Correspondence Address

.....
Telephone.....Fax.....
(Please mention STD code) Email.....

5. Constitution of Board of Directors
First Whole Time Director :.....
Second Whole Time Director :.....
Ordinary Directors :.....
.....
.....

Signature of the Whole Time Director.
Name of the Company



7. Particulars of the Whole Time Directors:

Name of the Applicant

Age..... Date of Birth

Educational Qualification Experience

PAN No.

DIN No.

Name of the Applicant

Age..... Date of Birth

Educational Qualification Experience

PAN No.

DIN No.

Affix Passport Size
Photograph of the
Individual
Applicant

Affix Passport Size
Photograph of the
Individual
Applicant

8. Share holding Pattern of the Corporate Entity:

Group	Percentage
Dominant	
Whole time Directors	
Ordinary Directors	
Relatives of Whole Time Directors	
Friends & Others	
Bodies Corporate	
Total	

Please mention separately the holdings of Whole time Directors individually or along with immediate family members (defined u/s.6 of Companies Act,1957) in the Group Companies.

- 8.a) Authorised Share Capital of the Corporate Entity : Rs.
b) Paid up Share Capital (as certified by C.A.) : Rs.
c) Networth Certificate from C.A. : Rs.

9.a) Is the applicant also a member of other Stock Exchanges

Yes No

b) If yes, please furnish the details as below (Please enclose the SEBI Registration)

Name of the Exchange/s	Code No.	SEBI Regn.No.

Signature of the Whole Time Director
Name of the Company



c) Whether No Objection Certificate is obtained from the above Stock Exchange/s

Yes No

10.a) Have any of the Directors have ever applied for membership on CSE at any point of time. Either as individuals or as Directors of other entities. (if yes, please give details)

Name of Director	Name of Associate Entity	Location	Period of Association	Nature of Association

b) Have any of your key personnel worked for a Member of CSE previously (If yes, please give details)

.....
.....

11. Any other information that may be relevant :

.....
.....

Signature of the Whole Time Director.
Name of the Company

Annexure : B-1

(For Corporates)

Certificate dated _____ submitted by _____ to CSE

NETWORTH CERTIFICATE

(In original & on the letterhead of the Chartered Accountant)

This is to certify that the Net worth of M/s./Mr./Ms. _____ as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only).

We further certify that:

- M/s./Mr./Ms. _____ is not engaged in any fund-based activities or business other than that of securities. 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.

Place:

For (Name of Accounting Firm)

Date:

Name of Partner/Proprietor
Chartered Accountant
Membership Number

(Note: Methodology for calculating networth is given in Annexure B-2)

Annexure – B-2

Computation of networth for an Corporate/Individual/Partnership firm :

Sr.#	Particulars	Rs.	Rs.	Rs.
1.	Listed (Quoted) Investments (Not pledged)			
2.	Market value of listed (quoted) securities (other than Government) in the name of member (forming part of the Balance Sheet)	X		
3.	Margin of 30% on Market value of listed (quoted) securities (other than Government) i.e. 30% of 2	X		
4.	Net value of listed (quoted) Investments (other than Government i.e. 2-3		X	
5.	Bonds/Government Securities (Not pledged)			
6.	Market value of listed (quoted) securities (Government) in the name of member (forming part of the Balance Sheet)	X		
7.	Margin of 10% on Market value of listed (quoted) securities (Government) i.e. 10% of 6	X		
8.	Net value of listed (quoted) Investments (Government) i.e. 6-7		X	
9.	Other Investments at cost			
10.	Fixed deposits (Other than deposited to CSE including membership card)		X	
11.	Public Provident Fund (50% of the investment provided if it is more than three years standing)		X	
12.	Total Net Investments (4+8+10+11)		X	
13.	Receivables which are less than 3 months old		X	
14.	Loans, Advances and Deposits			
15.	Loans and advances excluding loans and advances given to associates and related entities		X	
16.	Deposits excluding non-refundable deposits		X	
17.	Cash & Bank Balance		X	
18.	Other Liquid Assets, if any, (specify), which are used for the purpose of business		X	
19.	Total Assets (12+13+15+16+17+18)			X
20.	Current liabilities			
21.	Long Term liabilities			
22.	Total liabilities (20+21)			X
23.	Net Worth (19-22)			X

ANNEXURE -B-3

(BANKERS REPORT)

1. Name :
2. Address :
:
:
3. Nature of Account :
4. Account Number :
5. Length of Association :
(No. of years)
6. Bankers Observation :
.....
.....
.....

Bank's Stamp

Issuing Authority

(Designation)

ANNEXURE –B-4

**FORMAT OF CERTIFICATE TO BE FURNISHED BY APPLICANT
ALONGWITH APPLICATION**

From:

The name and address of the proposed Deposit Based Corporate Members

To

CEO & Managing Director
The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata – 700 001

Dear Sir,

Referring to our application for admission to the Deposit Based Membership of the Exchange, we state the following:

1.	The net worth of the company, as on _____, computed and certified in the prescribed format as indicated in Annexure - B-1, is Rs. _____ lakhs (net worth should be indicated as on 31st March of last financial year or later).
2.	Details of membership(s) in any stock exchange in the name of the company, its subsidiaries or any of the directors / dominant promoter group therein, are given in Annexure - B-5. It is further certified that none of these memberships has ever been suspended / expelled / penalised / declared defaulter or any other disciplinary action initiated there against by the concerned Stock Exchanges or any other regulatory authority except as detailed in Annexure - B-6.
3.	Details of one whole time director and another director having minimum two years of direct experience in any activity related to banking services, financial services or treasury are given in Annexure : B-7. (Such experience will include working as a dealer, in the back office or as a researcher with any individual or organisation operating in the securities market.)
4.	The share holding pattern of the company as on _____ is given in Annexure - B
5.	The list of persons forming part of dominant promoter group and their shareholding is given in Annexure : B-5. Besides, written unqualified and irrevocable support of their ____ (give number) close relatives for including their shareholding as on _____ (March,31st) for the purpose of determining the dominant group is enclosed on the prescribed format. Any change in the composition of the dominant promoter group would be effected only after taking prior approval of the CSE. (Strike out if not applicable)
6.	After _____ (March, 31 st), there has been no change in the Board of Directors of the undersigned, nor is it likely to be effected due to : - any direct or indirect transfer of shares or securities in the share capital of the company. - any direct or indirect transfer of shares or securities in the share capital of any one or more companies or bodies corporate holding any part of the paid up capital of the company. (Strike out whichever is not applicable and give complete details, wherever any change has taken / likely to be take place.)

7.	Any of the promoters or dominant shareholders of the company do not singly or jointly have an equity holding of 10% or more and/or any share in his/their own name and/or jointly with any of his/their close relatives in any other trading membership of the CSE.
8.	In case, the company goes for a public issue, the Offer document / Prospectus shall be submitted to the Exchange for prior perusal, atleast 21 days before opening of subscription list.

We hereby state that the information given above is true, correct and complete to the best of our knowledge and information. We also state that no relevant material fact has been suppressed. We agree that in the event of any of the above statements being found false, incorrect or incomplete, we recognise that CSE may take any action as it may deem fit, including termination of the trading membership. We also agree to provide CSE with all such documents as may be called for and be required by CSE from time to time.

We hereby undertake to inform CSE about any change in the abovementioned facts within 15 days from the date of the change taking place / coming to our knowledge, whichever is earlier.

Place:

Date:

** Signature(s)

**** TO BE SIGNED BY :**

Managing Director/Whole Time Director and :

1 any other Whole Time director, or

2 any other directors authorised by the Board. (submit copy of the relevant Board resolution)

Annexure : B-5

Certificate dated _____ submitted by _____ to CSE

**DETAILS OF DOMINANT SHAREHOLDING GROUP as on _____ (31st March or later)
(For Corporates and Firms only)**

Sl.#	Name	No. of Shares @		Total Amount Paid @		% of Total @		Total	
		Self	Relative	Self	Relative	Self	Relative	Self	Relative

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 information provided to my/our satisfaction..

Place:

For (Name of Accounting Firm)

Date:

Name of Partner
Chartered Accountant
Membership Number

@ : For arriving at the shareholding of persons constituting the Dominant group, the shareholding of close relatives, namely parents, spouse, children and their descendants, brothers and sisters only may also be counted provided these relatives give an irrevocable, unconditional support in writing on the prescribed format (Annexure B-8).

Annexure : B – 6

Certificate dated _____ submitted by _____ to CSE

DETAILS OF STOCK EXCHANGE MEMBERSHIPS

Sl.#	Name	Relation@	Stock Exchange	Since	Membership No.	Mode of Acquisition	Remarks #
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							

Date:

Place:

Signature(s)

NOTES :

@ : Give details e.g. :

SELF for membership in the name of applicant company, Firm.

PARTNER, CHAIRMAN, WHOLE TIME DIRECTOR, DIRECTOR, HOLDING, SUBSIDIARY.

In case of Individuals, give details such as

FIRM in which the applicant is a partner; Details of other partners in the said firm,

COMPANY in which the applicant has controlling interest.

: For each of these memberships, give details of disciplinary action, if any, taken by the Stock Exchange or any other regulatory authority in respect of these memberships with dates in the following format :

- Expulsion
- Suspension
- Default
- Any other disciplinary action or enquiry against the member

Annexure – B-7

Certificate dated _____
submitted by _____ (applicant) to CSE

DETAILS OF DIRECTORS/PROPRIETOR AS ON _____

Sr No	Name	Fathers Name	Designation @	Date of Birth	Education	DIN Number	Residential Address & Telephone Nos.	Designate directors (Yes/No) #	Share holding *			Directorships/ controlling shareholding in other cos.
									No.	Amt	% of total	
1												
2												
3												
4												
5												

NOTES :

@ Please clearly state whether the Director is a Managing Director or Wholetime Director or Executive Director or Non-Executive Director or Executive Chairman or Non-Executive Chairman

Identify two designated directors (A designated director/partner is one who is a graduate by qualification (or CA, ICWA or CS) and possesses atleast 2 years of experience pertaining to securities market. They, essentially, look after the stock market operations of a trading member entity. Every trading member corporate should have atleast 2 such directors and every firm should also have 2 partners who meet the aforesaid norms.)

\$ All initials to be expanded

* Not applicable to trading members who are individuals

Date:

Place:

Authorised Signatory/Director (s)

CERTIFICATE (for corporate only)

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 Partner/Proprietor

Chartered Accountant

Membership Number

IF APPLICABLE

Annexure : B-8

Certificate dated _____ submitted by _____ to CSE

**UNDERTAKING FROM RELATIVE OF PERSONS CONSTITUTING
DOMINANT PROMOTER GROUP**

I, Mr./Ms./Mrs. _____, son/daughter/wife of Mr. _____, resident of _____ 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 relation's 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 the Calcutta Stock Exchange Limited before selling or otherwise transferring any part or whole of my above mentioned shareholding.

WITNESS BY:

Signature :

Name :

Address :

Date :

SIGNATURE

Name :

Place :

Date :

CERTIFICATE

This is to certify that the Shareholding in _____ Limited 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 of Partner

Chartered Accountant

Membership Number

\$: For arriving at the shareholding of persons constituting the Dominant group, the shareholding 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 (Annexure B-8)