



Central Depository Services (India) Limited

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COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/AI&C/DP/POLCY/2020/470

October 30, 2020

EXTENSION OF TIME FOR SUBMISSION OF NET WORTH CERTIFICATE & AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2019-20

Attention of Depository Participants (DPs) is invited to CDSL communique CDSL/AI&C/DP/POLCY/422 dated September 30, 2020 whereby all DPs were informed that the due date for submission of certificate of net worth and Audited Financial Statements for the financial year ended 31st March 2020 was extended till 31st October 2020.

In view of the request received from various DPs and notification issued by CBDT dated 24th October, 2020 extending filing of income-tax return till 31st January, 2021, DPs are requested to note that the last date for submission of certificate of Net worth and Audited Financial Statements for the financial year ended 31st March 2020 has been extended till January 31, 2021.

DPs are advised to submit Net worth Certificate and Audited Financial Statements on or before January 31, 2021 in order to avoid penal action as per the Operating Instructions 11.1. The format of net worth certificate and computation of net worth is once again enclosed for your ready reference (Refer Annexure).

Queries, if any, regarding this communiqué may be addressed to CDSL-Audit: (022) 2305 8678 / 8679 / 8691.

sd/-

Latha Nair
Assistant Vice President – Audit, Inspection & Compliance



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Certificate from Statutory Auditors

This is to certify that the net worth of (DP Name) as on (Date/Month/Year) as per the statement of computation of even date annexed to this report is Rupees _____ only.

It is further certified that the computation of net worth based on my / our scrutiny of the audited 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 Statutory Auditor's Firm)

Name of Partner

Chartered Accountant

Membership Number

Note: This certificate shall be given on the letterhead of the Statutory Auditors' Firm



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| Sr No. | Particulars of net worth computation. | Clarifications |
|--------|---|--|
| 1 | Paid-up Capital + Free Reserves – Share Application Money (Total Reserves less Revaluation Reserves and Specified Reserves) | <p>a) If the preference share capital is redeemable by end of the next financial year, it should be deducted from the net worth, unless the sufficient Capital Redemption reserve is created for redemption purpose.</p> <p>b) If the redeemable preference shares are part of the paid up capital, the auditors should specifically provide the terms of redemptions e.g. Date of redemption, amount of redemption, no. of shares redeemable etc.</p> <p>c) Capital reserve, revaluation reserve, statutory reserve or any other specific reserve should not be considered as free reserve.</p> |
| 2 | Receivable from / Investments in / Loans and advances to group Companies | <p>a) Group companies include partnership firm, affiliates, associates, related entities including directors and their relatives.</p> <p>b) Investments by the company (DP) as Share application/allotment money in the group companies should be deducted.</p> |



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FORMAT OF COMPUTATION OF NET WORTH

| Sr. No | | Particulars | Current Year (Rs.) | Previous Year (Rs.) |
|--------|--------------|---|--------------------|---------------------|
| 1. | | Paid-up Capital + Free Reserves – Share Application Money (Total Reserves less Revaluation Reserves and Specified Reserves) | | |
| | Less: | | | |
| | A | Accumulated Losses | | |
| | B | Receivable (more than 6 months old) | | |
| | C | Receivable from Group Companies | | |
| | D | Intangible Assets | | |
| | E | Preliminary and Pre-operative expenses not written off | | |
| | F | Loan in excess of value of Pledged Securities | | |
| | G | Loan in excess of value of Pledged Assets | | |
| | H | Investment in Group Companies | | |
| | I | Net worth required for other depositories | | |
| | J | Loans and advances to group Companies | | |
| | K | Statutory Contingent Liabilities | | |
| 2. | | Sub-Total (A+B+C+D+E+F+G+H+I+J+K) | | |
| | | Available Net Worth (1-2) | | |

Notes:

1. Details of item mentioned under Sr. No. C, F, G, H, J and K shall be provided as annexure to the certificate.
2. In case of statutory contingent liabilities, only 50% of the liabilities shall be deducted.
3. Security-wise details of all investments (quoted as well as unquoted securities) shall be provided as annexure to the certificate.