



Central Depository Services (India) Limited

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COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/A,I&C/DP/POLCY/2025/616

September 12, 2025

ONLINE FACILITY FOR SUBMISSION OF NET WORTH CERTIFICATE & AUDITED FINANCIAL STATEMENTS

In terms of CDSL Bye Law 16.2.1, each Depository Participant (DP) is required to submit a net worth certificate (including computation thereof based on its audited financial statements certified by a practicing Chartered Accountant, calculated and itemized as per the manner specified in the Operating Instructions) and a copy of the audited financial statements along with the auditors' report. The same shall be submitted not later than 31st October of the financial year. Accordingly, all DPs for the Financial year ending on 31st March 2025 should submit the net worth certificate along with Audited Financial Statements (AFS) on or before **31st October 2025**.

The DPs, seeking extension from Registrar of Companies (ROC) for holding Annual General Meeting for approval of their annual accounts, are required to submit the copy of approval received from ROC to the CDSL.

The DPs belonging to the categories of Stock Broker, Non-Banking Finance Company (NBFC) and Registrar to an Issue (RTA) or share transfer agent should comply with the net worth requirement specified as per Regulation 35 of the SEBI (Depositories and Participants) Regulations, 2018. Further DPs are required to submit the net worth computed in the manner specified in the as per Annexure 17.1 of the Operating Instruction. The format of net worth certificate and computation of net worth is enclosed as **Annexure A** and **Annexure B**. Please note that the net worth certificate should be certified by the Statutory Auditors or Practicing Chartered Accountant. In case the DP belongs to the category other than those mentioned above, the statement of net worth computed in the manner prescribed by the concerned Regulatory authority of that entity should be submitted.

DPs registered under the category of Stockbroker who are also a self-clearing member may submit the net worth certificate, fulfilling the net worth requirements as provided under the Securities and Exchange Board of India (Stockbrokers) Regulations, 1992, (along with AFS) in accordance with the Regulation 35(a)(viii) of the SEBI (Depositories and Participants) Regulations, 2018.



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Monitoring of Net worth:

DPs registered under the category 'Stockbroker' to provide explanations or clarifications, along with the submission of Net worth, in case any of the below conditions get triggered:

- Net worth has reduced by 25% or more as compared to Net worth as on previous period end.
- Increase in losses by 25% or more as compared to previous year losses.

In the past, we have observed some common errors in the submission of the net worth certificate and AFS. The list of these errors is provided in **Annexure C**.

Clarifications on computation of Net worth:

Please find below the clarifications on the computation of net worth in the prescribed format:

S.NO	Particulars of net worth computation	Details of Net worth particulars
1	Paid-up Capital + Free Reserves – Share Application Money (Total Reserves less Revaluation Reserves and Specified Reserves)	<p>Share Capital:</p> <ul style="list-style-type: none">• Paid-up equity share capital to be considered.• Paid-up preference share capital to be considered, subject to below:<ul style="list-style-type: none">○ The auditors to specifically provide the terms of redemptions such as date of redemption, amount of redemption, number of shares redeemable.○ Exception to the above point, If the preference share capital is redeemable by the end of the next financial year, it should be deducted from the net worth. However, if a capital redemption reserve is created for the redemption purpose, then the same will not be deducted from the net worth.• Application money (pending allotment) to be



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S.NO	Particulars of net worth computation	Details of Net worth particulars
		<p>considered, if allotment is completed subsequently and a letter from CA and the Form duly filed with ROC are provided.</p> <ul style="list-style-type: none"> Fully, compulsorily and mandatorily convertible Debentures/ Bonds/ Warrants which are convertible within a period of 5 years from the date of issue to be considered. (as per the SCHEDULE VI of the Securities and Exchange Board Of India (Stock Brokers) Regulations, 1992)
2.	Free Reserves	<p>Free Reserves:</p> <ul style="list-style-type: none"> Free reserves mean such reserves which, as per the latest audited balance sheet of a company, are available for distribution as dividend, provided that the below shall not be treated as free reserves: <ul style="list-style-type: none"> a) any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or b) any change in the carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value. Free Reserves should not include reserves such as Revaluation Reserve (revaluation of asset), Capital Reserve, Amalgamation Reserve, Debenture Redemption Reserve, Other Comprehensive Income. Free Reserves such as Profit & Loss, General Reserve, Securities Premium, Preference Share Redemption Reserve,



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S.NO	Particulars of net worth computation	Details of Net worth particulars
		Capital Redemption Reserve and any other surplus arising out of sale proceeds of assets to be considered.
3	Receivables (more than 6 months old)	<ul style="list-style-type: none"> Receivables (more than 6 months old) as per schedule in Balance sheet shall be deducted; net of accumulated provision for doubtful debts made on such receivables
4	Receivable from / Investments in / Loans and advances to group Companies	<ul style="list-style-type: none"> Group companies include partnership firm, affiliates, associates, related entities including directors and their relatives. Investments by the company (DP) as Share application/allotment money in the group companies should be deducted. Both long term and short-term receivables to be considered for deduction.
5	Intangible Asset	<ul style="list-style-type: none"> Net book value of intangible assets such as goodwill, patents, copyrights, trademarks as per audited Balance Sheet should be deducted. Deferred Tax Asset (Net) as shown in Balance Sheet should be deducted
6	Excess of Loan over value of Pledged Securities/Assets	<ul style="list-style-type: none"> The amount of secured loan taken in excess of value of pledged/ hypothecated securities/ assets is to be deducted. Disclose the nature and value of security against which the loan is secured
7	Investment in Group Companies*	<ul style="list-style-type: none"> Investment in equity shares or preference shares of the group company should be deducted from Paid up capital & Reserves. Both short-term and long-term investment in group companies needs to be deducted while calculation. Share application/ allotment money which pertains to the group companies is to be



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S.NO	Particulars of net worth computation	Details of Net worth particulars
		deducted. <ul style="list-style-type: none">Investment in units of mutual fund/PMS/AIF of group companies should not be deducted.
8	Loans and advances to Group Companies	<ul style="list-style-type: none">Other than trade receivables such as loans, advances, deposits, receivables against asset needs to be deducted.
9	Statutory Contingent liability	<ul style="list-style-type: none">The statutory contingent liability refers to the dues of GST, sales tax, income tax and other statutory which is liability under dispute.Deduct 50% of the unpaid statutory contingent liabilities from the Net worth.

Online submission of net worth certificate by DPs:

Please note that **online facility** is made available for the submission of net worth certificate along with Audited Financial Statements as on 31st March 2025 by the DPs' through web application: <https://auditweb.cdslindia.com> using DPs login credentials. DPs are now required to submit the net worth certificate and audited financial statements online through <https://auditweb.cdslindia.com> and the current practice of submission of net worth certificate and audited financial statements by DPs **through email/ hard copy is discontinued**. The procedure for submitting the net worth certificate and Audited Financial Statements through <https://auditweb.cdslindia.com> is enclosed as **Annexure D**.

In case of any further queries regarding this communiqué may be addressed to CDSL-Audit on (022) 6234 3084/ 6234 3080 /6234 3082 / 6234 3083/6234 3074.

For and on behalf of
Central Depository Services (India) Limited

sd/-

Ajit Prabhu
Sr. Manager – Audit, Inspection & Compliance

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Annexure A

Net worth Certificate by the Chartered Accountant

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 Auditor's Firm**)

Name of Partner / Auditor

Chartered Accountant

Membership Number

UDIN

Note: This certificate shall be given on the letterhead of the Statutory Auditors or Practicing Chartered Accountant.

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Annexure B

Format for 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	Loans and advances to group Companies		
	J	Statutory Contingent Liabilities		
2.		Sub-Total (A+B+C+D+E+F+G+H+I+J)		
		Available Net Worth (1-2)		

Notes:

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

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Annexure C

DPs are advised to avoid the following errors while submitting the net worth certificate with AFS:

- Net worth certificate submitted is based on provisional financial statements instead of audited financial statements.
- Incomplete submission of AFS. The following documents should be part of AFS:
 - a. **Auditor's report**
 - b. **Annexure to the Auditor's reports (CARO)**
 - c. **Schedules to financial statements**
 - d. **Accounting Policies & Notes to Accounts including disclosures on contingent liabilities and related party transactions.**
- The copy of AFS is not attested by the Director of the Company and their Statutory Auditors.
- Deferred tax asset, Computer software etc. are not deducted as intangible assets for computation net worth computation.
- Statutory contingent liabilities, such as those related to GST, income tax, and other statutory dues, are either not deducted or partially deducted (50% of the statutory contingent liabilities as required in the prescribed format) for net worth computation.
- If preference shares form part of the 'Share Capital, type of preference shares and the date of redemption is not specified. In case of redemption of preference shares fully during the financial year succeeding 31st March 2025, the same should not be considered for net worth computation. However, in case of partial redemption, the remaining portion of Preference shares which are not being redeemed only can be considered for net worth computation.
- Bifurcation of computer hardware and software is not provided under the schedule of Fixed assets. The net value of computer software is required to be deducted as intangible assets.
- Nature and value of security against which the loan is secured is not provided in the Financial Statement.
- Related party disclosure is not given under notes to accounts. The Receivables from Group companies, Investment in Group companies/ associated company, Receivables from Directors, Loans & advances to Group companies/Directors of the company etc. should be included and considered for deductions. For such receivables, the full amount is not deducted for computation of net worth portion.
- In case of related party transactions disclosure made by the auditors, the outstanding balance as on 31st March is not mentioned in the financial report.

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- Bifurcation of sundry debtors into more than and less than six months is not given under the schedule of current assets.
- The following items though not required to be deducted, are deducted for net worth computation:
 - a. Deposits with the exchanges
 - b. Bank Guarantee

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Annexure D

A. Procedure for Submission of Net worth certificates through <https://auditweb.cdslindia.com>

DPs screen for Submission of Net worth certificate and Audited Financial Statements

- I. Log in into Audit application by using the link: <https://auditweb.cdslindia.com>
- II. Sign in using 'Login Type- DP
- III. Logging in, select the Audit Type as “**Net worth Certificate**” choose the appropriate '**Audit Month**'. (e.g.: March 2025) and select the DP and confirm.

- IV. Net worth Certificate with computation: DP must upload the Net Worth Certificate along with computation in PDF format signed by statutory auditor/practicing chartered accountant. If the DP wants to verify the net worth certificate along with the computation document uploaded, they can use the download option provided

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V. DPs needs to mention Self-Clearing Member Status:

- If the DP is a Self-Clearing Member, DP needs to tick 'Yes'.
- If you are not a Self-Clearing Member, tick 'No'

Network Certificate With Computation :

Choose File No file chosen **UPLOAD** **DOWNLOAD**

Whether DP Is Self Clearing Member : ☒ Yes ☐ No

SEBI Registration Number :

DP PAN :

Latest Net Worth Amount : 121498776

UDIN Of The Certificate :

Download Sample (Excel) For Current/Previous Year Network Computation Format: **DOWNLOAD**

VI. Following are the mandatory details required to be Entered by DPs:

- i. SEBI Registration Number
- ii. DP PAN
- iii. Latest Net worth Amount
- vii. UDIN of the certificate

Upload Scanned Documents

Network Certificate With Computation :

Choose File No file chosen **UPLOAD** **DOWNLOAD**

Whether DP Is Self Clearing Member : ☒ Yes ☐ No

SEBI Registration Number :

DP PAN :

Latest Net Worth Amount : 121498776

UDIN Of The Certificate :

Download Sample (Excel) For Current/Previous Year Network Computation Format: **DOWNLOAD**

VII. For submission of computation of net worth DP is required to download sample excel for current/previous year net worth computation format and fill in the details in 'text format' of the previous and current year computation of net worth. All the fields in the computation are mandatory. In case value for any field has a "Nil" value, DPs are required to mention the value as '0'.

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Note: Stockbroker DPs who are a self-clearing member and the DPs under the category of Bank are not required to download the excel for submitting the net worth computation.

The screenshot shows a web form titled 'Upload Scanned Documents' with a sub-header 'Networth Certificate With Computation :'. It features a 'Choose File' button, an 'UPLOAD' button, and a 'DOWNLOAD' button. Below this, there are checkboxes for 'Whether DP Is Self Clearing Member :', with 'Yes' selected. There are also input fields for 'SEBI Registration Number', 'DP PAN', 'Latest Net Worth Amount' (with '0' entered), and 'UDIN Of The Certificate'. A light blue box contains the text 'Download Sample (Excel) For Current/Previous Year Networth Computation Format:' and a 'DOWNLOAD' button.

VIII. Once details are filled, DP is required to upload the saved excel file containing computation details as per Template and upload the excel file.

This screenshot shows the same form as above, but with the 'Current/Previous Networth Computation' section visible at the bottom. It includes a 'Choose File' button, 'No file chosen' text, and an 'UPLOAD' button. A 'Status' bar at the bottom indicates 'ID Does Not Exist In The System.'

A small dialog box with a title bar 'testaudit.cdsl.co.in says' and a message 'Document Uploaded Successfully'. It has an 'OK' button.

IX. DP will get the message 'Document Uploaded Successfully'.

X. DPs are required to enter the amount of Profit/Loss (After tax) for the Previous Year (Select loss if its loss or profit in case of profit) and the amount of Profit/Loss (After tax) for the Current Year (Select loss if its loss or profit in case of profit)

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Note: Only numeric value to be entered without any positive or negative signs.

Current Year (Rs.)	25046500	385675976	0	410722476	0	5591456	0	21395	0
Previous Year (Rs.)	25046500	379782500	0	404828954	0	6981430	0	151632	0

Increase Or Decrease In Net Worth By 25%: The Decrement In Network Is More Than 25% By: 18.74%

Amount Of Profit/Loss(After Tax) For The Previous Year : 159800000 Loss 2024-2025

Amount Of Profit/Loss (After Tax) For The Current Year : 12049000 Profit 2025-2026

Loss In Amount For Current/Previous Year By 25%: The Increment In Profit Is More Than 25% From Previous Year By: 12048

Name Of Certifying CA/CA Firm : Name of certifying CA/CA firm

PAN Of CA/CA Firm : PAN of CA/CA firm

Name Of Director/Partner Of CA Firm : Name of Director/partner of CA firm

PAN Of Director/Partner Of CA Firm : PAN of Director/partner of CA firm

Date Of Verification Of Non-Association Of CA/Director/Partner Of CA Firm With 13-06-2025

XI. Further, in case of increase or decrease in net worth by 25% or more, as compared to previous year, DPs will be required to mention the reason for the same in the 'Remarks'. Subsequently, in case of profit/loss DPs are also required to mention the reason in the remarks if there is increase or decrease by 25% or more as compared to previous year.

Amount Of Profit/Loss (After Tax) For The Current Year : 12049000 Profit 2025-2026

Loss In Amount For Current/Previous Year By 25%: The Increment In Profit Is More Than 25% From Previous Year By: 12048

Name Of Certifying CA/CA Firm : [REDACTED]

PAN Of CA/CA Firm : [REDACTED]

Name Of Director/Partner Of CA Firm : [REDACTED]

PAN Of Director/Partner Of CA Firm : [REDACTED]

Date Of Verification Of Non-Association Of CA/Director/Partner Of CA Firm With Proprieter/Partners/Directors Of DP : 13-06-2025

Remarks : Enter Remarks

SAVE FINAL SUBMIT CANCEL

XII. DP is required to provide the following information:

- DP to enter Name of certifying CA/CA firm
- PAN of CA/CA form
- Name of Director / Partner of CA firm

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- d. PAN of Director / Partner of CA firm
- e. Date of certification of Non-Association of CA/Director/Partner of CA firm with Proprietor/Partner/Directors of DP

Increase Or Decrease In Net Worth By 25%: The Decrement In Networth Is More Than 25% By: 18.74%

Amount Of Profit/Loss(After Tax) For The Previous Year : 159800000 Loss 2024-2025

Amount Of Profit/Loss (After Tax) For The Current Year : 12049000 Profit 2025-2026

Loss In Amount For Current/Previous Year By 25%: The Increment In Profit Is More Than 25% From Previous Year By: 1204%

Name Of Certifying CA/CA Firm : [Redacted]

PAN Of CA/CA Firm : [Redacted]

Name Of Director/Partner Of CA Firm : [Redacted]

PAN Of Director/Partner Of CA Firm : [Redacted]

Date Of Verification Of Non-Association Of CA/Director/Partner Of CA Firm With Proprietor/Partners/Directors Of DP : 13-06-2025

Remarks : Enter Remarks

XIII. Once all information is provided, click on '**Save**' and '**Final Submit**' to complete the submission process.

Amount Of Profit/Loss (After Tax) For The Current Year : 12049000 Profit 2025-2026

Loss In Amount For Current/Previous Year By 25%: The Increment In Profit Is More Than 25% From Previous Year By: 1204%

Name Of Certifying CA/CA Firm : [Redacted]

PAN Of CA/CA Firm : [Redacted]

Name Of Director/Partner Of CA Firm : [Redacted]

PAN Of Director/Partner Of CA Firm : [Redacted]

Date Of Verification Of Non-Association Of CA/Director/Partner Of CA Firm With Proprietor/Partners/Directors Of DP : 13-06-2025

Remarks : Enter Remarks

SAVE FINAL SUBMIT CANCEL

Please note that once the '**Final Submit**' button is clicked, the DP will no longer be able to submit any information or details for that audit month for submission of Net worth.

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B. Submission of Audited Financial Statements through <https://auditweb.cdslindia.com>

Select the Audit Type as “Audited Financial Statement” **and** choose the appropriate 'Audit Month'.
(e.g.: March 2025) and select the DP and confirm.

The screenshot shows the 'AUDIT APPLICATION' form on the Central Depository Services (India) Limited website. The form has three dropdown menus: 'Select Audit Type' (set to 'Audited Financial Statement'), 'Select Audit Month' (set to 'March-2023'), and 'Select DP / RTA' (with a blacked-out selection). Below these is a blue 'Confirm' button. At the bottom of the form, there are two links: 'View DP / RTA Profile and Status of Reports' and 'View Auditor Profile'. The footer of the page states 'Copyright © 2019 - Audit Team, Central Depository Services (India) Ltd. All rights reserved.'

1. Upload the AFS documents.

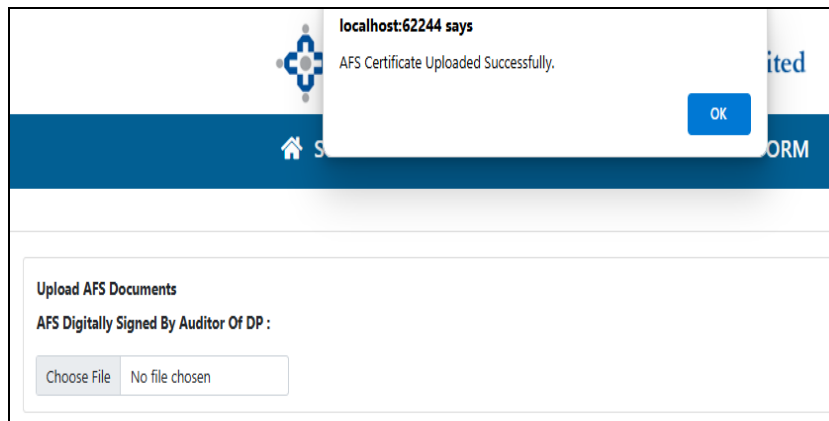
The screenshot shows the 'SUBMISSION OF AUDITED FINANCIAL STATEMENT FORM' page. It features a 'BACK' button and a title bar. The main section is titled 'Upload AFS Documents' and contains the instruction 'AFS Digitally Signed By Auditor OF DP:'. Below this is a file upload area with a 'Choose File' button, a 'No file chosen' status, and an 'UPLOAD & SAVE' button. A red oval highlights the 'Choose File' button and the 'UPLOAD & SAVE' button. The footer of the page states 'Copyright © 2019 - Audit Team, Central Depository Services (India) Ltd. All rights reserved.'

2. Message will display AFS certificate uploaded successfully.

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Once the Audited Financial Statement is uploaded, click on '**Save**' and '**Final Submit**' to complete the submission process.

Please note that once the '**Final Submit**' button is clicked, the DP will no longer be able to submit any information or details.

Please note that the online submission of Net worth certificate and Audited Financial Statements will be mandatory to DPs. Net worth certificate and Audited Financial Statements will not be accepted in physical mode or through email.
