



सि.सी.ई.बी. (सुरतियों और भागधरों) की नियमों, १९९६

Securities and Exchange Board of India

CIRCULAR

CIR/ MIRSD/5/ 2014

December 30, 2014

To

All Depositories

Dear Sir / Madam,

Subject: Single Registration for Depository Participants.

1. Please find enclosed the **Notification** No. LAD-NRO/GN/2014-15/18/1952. dated December 24, 2014 amending the SEBI (Depositories and Participants) Regulations, 1996 (hereinafter referred to as DP Regulations).
2. As per the amendment, the existing requirement of obtaining certificate of initial registration to act as a participant and subsequently permanent registration to continue to act as a participant for each depository has been done away with. Henceforth, one certificate of initial registration and subsequently permanent registration through any depository shall be required after commencement of the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2014.
3. For the purpose of implementing the above registration requirements, the following guidelines are being issued:
 - a. If a new entity desires to act as a participant in any of the depository, then the entity shall apply to SEBI for certificate of initial registration through the concerned depository in the manner prescribed in the DP Regulations.
 - b. If an entity has been granted a certificate of registration to act as a participant through one depository and wishes to act as a participant with the other depository then it shall directly apply to the concerned depository for approval in the manner as prescribed in the DP Regulations. The concerned depository, on receipt of the application, may grant approval to the entity after exercising due diligence and on being satisfied about the compliance of all relevant eligibility requirements including the following:
 - i. The applicant, its directors, proprietor, partners and associates satisfy the Fit and Proper Criteria as defined in the SEBI (Intermediaries) Regulations, 2008;
 - ii. The applicant has taken satisfactory corrective steps to rectify the deficiencies or irregularities observed in the past inspections or in case of actions initiated/ taken by SEBI/ depository(s) or other regulators. The depository may also



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seek details whether the Board of the applicant is satisfied about the steps taken. They may also carry out inspection, wherever considered appropriate;

- iii. Recovery of all pending fees/ dues payable to SEBI and depository; and
- iv. payment of registration fees as prescribed in the DP Regulations.

The depositories shall report to SEBI about the approval as stated above on a monthly basis.

- c. The participant shall apply to SEBI for permanent registration through any of the depositories in which it is acting as a participant as per the DP Regulations.
 - d. The participants shall continue to pay the applicable annual fees and registration fees as specified in Part A of Second Schedule in the manner specified in Part B thereof w.r.t. their respective depository(ies), as the case may be.
4. The depositories shall coordinate and share information with each other, about their participants.
 5. The Depositories are directed to –
 - i. bring the provisions of this circular to the notice of the depository participants as the case may be, and also disseminate the same on their websites;
 - ii. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision in co-ordination with each other; and
 - iii. communicate to SEBI, the status of the implementation of the provisions of this circular through Monthly Development Report of the following month.
 6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 73 of the SEBI (Depositories and Participant) Regulations, 1996 to protect the interest of investors in securities and to promote the development of, and to regulate, the securities market.
 7. This circular is available on SEBI website (www.sebi.gov.in) under the categories “Legal Framework” and “Circulars”.

Yours faithfully,

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Encl: As above