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SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 8th of October, 2014

SECURITIES AND EXCHANGE BOARD OF INDIA

(STOCK BROKERS AND SUB-BROKERS)

(AMENDMENT) REGULATIONS, 2014

No. LAD-NRO/GN/2014-15/15/1671 – In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to further amend the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, namely,–

1. These regulations may be called the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2014.
2. They shall come into force on the date of their publication in the Official Gazette.
3. In the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992,–

(I) in regulation 3, -

(i) for sub-regulation (1), the following shall be substituted, namely-

"(1) No person shall act as a stock broker, unless he obtains a certificate of registration from the Board:

Provided that no separate registration shall be required for a clearing member registered with the Board to act as a stock broker in a stock exchange of which he is admitted as a member, subject to grant of approval by the concerned stock exchange.

Explanation.- For the purpose of this sub-regulation, it is clarified that no separate registration shall be required for a stock broker registered with the Board to operate in more than one stock exchange, of which he is admitted as a member, subject to grant of approval by the concerned stock exchange." ;

(ii) in sub-regulation (2) and sub-regulation (3) the alphabet and symbol "(s)", wherever appearing shall be omitted;

(II) for regulation 10, the following shall be substituted, namely, -

“Approval for operation in other stock exchange(s) or segment(s) of stock exchange.

10. (1) A stock broker registered with the Board, who desires to operate in any other stock exchange or any other segment(s) of the stock exchange of which it holds a membership, shall apply to the concerned stock exchange, in the manner specified by the Board.

(2) A clearing member registered with the Board, who desires to operate in any stock exchange or any segment(s) of the stock exchange, shall apply to the concerned stock exchange in the manner specified by the Board.

(3) On receipt of an application under sub-regulation (1) or sub-regulation (2), the stock exchange shall, on being satisfied with the compliance of provisions of the regulations and other relevant eligibility requirements specified by the Board, grant approval to operate in that stock exchange or segment(s) thereof and shall inform the Board about such grant of approval."

(III) in regulation 10A, -

(i) for sub-regulation (1), the following shall be substituted, namely,-

"(1) No person shall act as a clearing member, unless he obtains a certificate of registration from the Board:

Provided that no separate registration shall be required for a stock broker registered with the Board to act as a clearing member in a clearing corporation of which he is admitted as a member, subject to grant of approval by the concerned clearing corporation.

Explanation.- For the purpose of this sub-regulation, it is clarified that no separate registration shall be required for a clearing member registered with the Board to operate in more than one clearing corporation, of which he is admitted as a member, subject to grant of approval by the concerned clearing corporation." ;

(ii) in sub-regulation (2) and sub-regulation(3) the alphabet and symbol "(s)", wherever appearing shall be omitted;

(IV) for regulation 10D, the following shall be substituted, namely, -

“Approval for operation in other clearing corporation(s) or segment(s) of clearing corporation.

10D. (1) A clearing member registered with the Board, who desires to operate in any other clearing corporation or any other segment(s) of the clearing corporation of which it holds a membership, shall apply to the concerned clearing corporation in the manner specified by the Board.

(2) A stock broker registered with the Board, who desires to operate in any clearing corporation or any segment(s) of the clearing corporation, shall apply to the concerned clearing corporation in the manner specified by the Board.

(3) On receipt of an application under sub-regulation (1) or sub-regulation (2), the clearing corporation shall, on being satisfied with the compliance of provisions of the regulations and other relevant eligibility requirements specified by the Board, grant approval to operate in that clearing corporation or segment(s) thereof, and shall inform the Board about such grant of approval."

(V) In Schedule I, -

(i) in Form A, -

(A) in Table 1-

(a) in Serial No. 7, after the words "financial institution" the words and symbols ",others (please specify)" shall be inserted;

(b) after Serial No. 8, the following Serial No. shall be inserted, namely-

"

9.	PAN of the applicant	
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"

(B) Table 3 shall be omitted;

(C) In 'Other details' para 2 shall be omitted;

(ii) Form AA shall be omitted;

(iii) in Form AD,-

(A) in Table 1-

(a) in Serial No. 7, after the words "financial institution" the words and symbols ",others (please specify)" shall be inserted;

(b) after Serial No. 8, the following Serial No. shall be inserted, namely-

"

9.	PAN of the applicant	
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"

(B) Table 3 shall be omitted;

(iv) for Form D the following shall be substituted, namely-

"FORM D

[Regulations 6 and 10B]

CERTIFICATE OF REGISTRATION

In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder, the Board hereby grants a certificate of registration to.....
as a stock broker/ proprietary trading member/ clearing member for carrying on the activities of buying, selling or dealing in securities/ clearing and settlement of trades and for carrying on such other activities as are permitted by stock exchange(s)/ clearing corporation(s), subject to the conditions specified therefor, from time to time, by the Board.

Registration number allotted is as under:

This certificate shall be valid till it is suspended or cancelled in accordance with the Regulations.

Date :

By order

For and on behalf of Securities and Exchange Board of India”

U.K. SINHA

CHAIRMAN

SECURITIES AND EXCHANGE BOARD OF INDIA

Footnote:

1. Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, the Principal Regulations, was published in the Gazette of India on October 23, 1992 vide S.O. No. 780 (E).

2. The Principal Regulations were subsequently amended on:

(a) November 28, 1995 by the SEBI (Payment of Fees) (Amendment) Regulations, 1995 vide S.O. No. 939 (E).

(b) January 5, 1998 by SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 1998 vide S.O. No. 13 (E).

(c) January 21, 1998 by SEBI (Stock Brokers and Sub-Brokers) (Second Amendment) Regulations, 1998 vide S.O. No. 75 (E).

(d) December 16, 1998 by SEBI (Stock Brokers and Sub-Brokers) (Third Amendment) Regulations, 1998 vide S.O. No. 1078 (E).

(e) July 6, 1999 by SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 1999 vide S.O. No. 541 (E).

(f) March 14, 2000 by SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2000 vide S.O. No. 234 (E).

(g) March 28, 2000 by SEBI (Appeal to Securities Appellate Tribunal) (Amendment) Regulations, 2000 vide S.O. No. 278 (E).

(h) August 30, 2000 by SEBI (Stock Brokers and Sub-Brokers) (Second Amendment) Regulations, 2000 vide S.O. No. 787 (E).

(i) May 29, 2001 by SEBI (Investment Advice by Intermediaries) (Amendment) Regulations, 2001 vide S.O. No. 476(E).

(j) November 15, 2001 by SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2001 vide S.O. No. 1128 (E).

(k) February 20, 2002 by SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2002 vide S.O. No. 220 (E).

(l) September 27, 2002 by SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide S.O. No. 1045 (E).

(m) September 23, 2003 by the SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2003 vide S.O. No. 1095 (E).

(n) November 20, 2003 by the SEBI (Stock Brokers and Sub-Brokers) (Second Amendment) Regulations, 2003 vide F. No. SEBI /LAD /20795 /2003.

(o) March 10, 2004 by the Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 vide S.O. No. 398(E).

(p) August 1, 2006 by the SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2006 vide S.O. No. 1235 (E).

(q) September 7, 2006 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Second Amendment) Regulations, 2006 vide S.O. No. 1447 (E).

(r) September 25, 2006 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Third Amendment) Regulations, 2006 vide S.O. No. 1600(E).

(s) May 26, 2008 by the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 vide Notification No. LAD-NRO/GN/2008/11/126538.

(t) August 11, 2008 by the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) (Amendment) Regulations, 2008 vide Notification No. LADNRO/GN/2008/20/134766.

(u) June 29, 2009 by the Securities and Exchange Board of India (Payment of Fees) (Amendment) Regulations, 2009 vide Notification No. LADNRO/ GN/2009- 10/11/167759.

(v) November 19, 2009 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2009 vide Notification No. LADNRO/GN/2009-10/21/183853.

(w) April 13, 2010 by the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) (Amendment) Regulations, 2010 vide Notification No. LADNRO/GN/2010-11/06/1097.

(x) April 6, 2011 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2011 vide Notification No. F. No. LAD – NRO/ GN/ 2011 – 12/01/11486.

(y) April 19, 2011 by the Securities and Exchange Board of India (Change in Conditions of Registration of Certain Intermediaries) (Amendment) Regulations, 2011 vide Notification No. LAD/NRO/GN/2011-12/03/12650.

(z) August 17, 2011 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Second Amendment) Regulations, 2011 vide Notification No. LAD-NRO/ GN/2011-12/19/26273

(za) April 5, 2013 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2013 vide Notification No. LAD-NRO/GN/2013-14/01/8129

(zb) September 27, 2013 by the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) (Second Amendment) Regulations, 2013 vide Notification No. No. LAD-NRO/GN/2013-14/25/24775

(zc) May 23, 2014 by the Securities and Exchange Board of India (Payment of Fees) (Amendment) Regulations, 2014 vide Notification No. LAD-NRO/GN/2014-15/03/1089