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SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 5th July, 2011

SECURITIES AND EXCHANGE BOARD OF INDIA

(REGISTRARS TO AN ISSUE AND SHARE TRANSFER AGENTS)

(AMENDMENT) REGULATIONS, 2011

No. LAD-NRO/GN/2011-12/11/21228 - 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 amend the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, namely:-

1. These Regulations may be called the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2011.
2. They shall come into force on the date of their publication in the Official Gazette.
3. In regulation 2, in clause (ba), the words “registration granted or renewed” shall be substituted with the words “initial or permanent registration granted”.
4. In regulation 3, -
 - i. in the marginal note, after the word “certificate” the words “of initial registration” shall be inserted;
 - ii. in sub-regulation (1), after the word “certificate” and before the words “shall be made” the words “of initial registration” shall be inserted.
5. Regulation 8 shall be substituted with the following, namely: -

“8. Grant of certificate of initial registration.

(1) The Board, on being satisfied that the applicant is eligible, shall send an intimation to the applicant mentioning the category for which the applicant has been found eligible for the grant of certificate of initial registration and grant a certificate in Form B.

(2) The certificate of initial registration granted under sub-regulation (1) shall be valid for a period of five years from the date of its issue to the applicant.

(3) The registrar to an issue or share transfer agent, who has already been granted a certificate of registration by the Board, prior to the commencement of the Securities and Exchange Board of India (Registrars to an Issue and Share transfer Agents) (Amendment) Regulations, 2011, and has not completed a period of three years, shall be deemed to have been granted a certificate of initial registration for a period of five years from the date of its certificate of registration, subject to payment of fee for the remaining period of two years, as prescribed under Schedule II of these regulations.

(4) The grant of certificate of initial registration shall be subject to payment of fee specified in regulation 12.”

6. After regulation 8, a new regulation shall be inserted, namely:-

“8A. Grant of certificate of permanent registration.

(1) The registrar to an issue or share transfer agent who has been granted or deemed to have been granted a certificate of initial registration under regulation 8, may, three months before the expiry of the period of certificate of initial registration, make an application for grant of certificate of permanent registration in Form A.

(2) The registrar to an issue or share transfer agent who has already been granted a certificate of registration by the Board and has completed a period of five years, on the date of commencement of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2011, may, three months before the expiry of validity of certificate of registration, or before, make an application for grant of a certificate of permanent registration in Form A.

(3) An application under sub-regulation (1) or sub-regulation (2) shall be accompanied by a non-refundable application fee as specified in Schedule II of these regulations.

(4) The application for grant of a certificate of permanent registration shall be accompanied by details of the changes that have taken place in the information that was submitted to the Board while seeking initial registration or renewal, as the case may be, and a declaration stating that no changes other than those as mentioned in such details have taken place.

(5) The application for permanent registration made under sub-regulation (1) or (2) shall be dealt with in the same manner as if it were a fresh application for grant of a certificate of initial registration.

(6) The Board, on being satisfied that the applicant is eligible, shall grant a certificate of permanent registration in Form B and shall send an intimation to the applicant.

(7) The grant of certificate of permanent registration shall be subject to payment of fee specified in Schedule II of these regulations.”

7. Regulation 9 shall be omitted.

8. In regulation 9A, in sub-regulation (1), -

- i. in the opening sentence the word “registration” shall be substituted with the words “initial registration” and the words and figure “renewal granted under regulation 9” shall be substituted with the words and figure “permanent registration granted under regulation 8A”;
- ii. in clause (c), the words “registration or renewal” shall be substituted with the words “initial registration or permanent registration”;
- iii. in clause (d), the words “certificate or renewal thereof” shall be substituted with the words “initial registration or permanent registration”

9. Regulation 9B shall be omitted.

10. In regulation 10, -

- i. in sub-regulation (1), the words and figures “under regulation 3 or of renewal under regulation 9” shall be substituted with the words and figures “of initial registration under regulation 3 or of permanent registration under regulation 8A”;
- ii. in sub-regulation (2), the words “or renew the certificate” shall be substituted with the words “initial registration or permanent registration, as the case may be,”.

11. Regulation 11 shall be substituted as follows, namely: -

“11. Effect of refusal to grant certificate of permanent registration.

The registrar to an issue or share transfer agent, whose application for grant of a certificate of permanent registration has been refused by the Board, on and from the date of the receipt of the communication, shall not carry on any activity as a registrar to an issue or share transfer agent:

Provided that the Board may, in the interest of investors in the securities market, permit the registrar to an issue or share transfer agent to carry on activities undertaken prior to the receipt of the intimation of refusal subject to such condition as the Board may specify.”

12. In regulation 12, in sub-regulation (1), the words “or renewal of a certificate” shall be substituted with the words “of initial or permanent registration, as the case may be,”.

13. In Schedule I, -

i. in Form A, -

- a. the word and figure “Regulation 3” shall be substituted with the words, figures and sign “Regulation 3/ Regulation 8A”;
- b. the words and sign “Application for Registration as Registrars to Issue or Share Transfer Agents or Both” shall be substituted with the words and sign “Application for Initial/ Permanent Registration as Registrars to Issue or Share Transfer Agents or Both”.

ii. in Form B, -

- a. the word and figure “Regulation 8” shall be substituted with the words, figures and sign “Regulation 8/ Regulation 8A”;
- b. the words “Certificate of Registration” shall be substituted with the words and sign “Certificate of Initial/ Permanent Registration”;
- c. paragraph III shall be substituted with the following, namely:-

“III. This certificate of registration shall be valid from to / for permanent, unless suspended or cancelled by the Board.”

14. In schedule II, -

- i. paragraph 1 shall be substituted with the following paragraphs, namely:-

“1. Every registrar to an issue and share transfer agent, at the time of grant of certificate of initial registration, shall pay registration fee as specified below:

- (a) A registrar to an issue and share transfer agent falling under category I, as specified in sub-regulation (2) of regulation 3, shall pay fee of four lakh rupees;
- (b) A registrar to an issue and share transfer agent falling under category II, as specified in sub-regulation (2) of regulation 3, shall pay fee of one lakh thirty three thousand and three hundred rupees.

1A. A registrar to an issue and share transfer agent referred to under sub-regulation (3) of regulation 8 shall pay fee for the remaining period of two years on *pro rata* basis of the fee prescribed under paragraph 1AA, as applicable to their respective class.

1AA. A registrar to an issue and share transfer agent who has been granted a certificate of permanent registration, to keep its registration in force, shall pay registration fee, every three years from the sixth year from the date of grant of certificate of initial registration, or from completion of the period of renewed certificate of registration, as the case may be, as specified below:

- a. A registrar to an issue and share transfer agent falling under category I, as specified in sub-regulation (2) of regulation 3, shall pay a fee of one lakh and fifty thousand rupees;
- b. A registrar to an issue and share transfer agent falling under category II, as specified in sub-regulation (2) of regulation 3, shall pay a fee of fifty thousand rupees.”

ii. in paragraph 2, -

- a. after clause (a), a new clause shall be inserted, namely: -

“(aa) The fee referred to in paragraph 1A shall be paid by the registrar to an issue and share transfer agent within a period of three months before completion of the period of three years from the date of grant of certificate of initial registration, or within a period of three months from the date of notification of these regulations, as the case may be.”

b. clause (b) shall be substituted with the following, namely: -

“(b) The fee referred to in paragraph 1AA shall be paid, at the time of grant of permanent registration, within fifteen days from the date of receipt of intimation from the Board and thereafter the fee shall be paid three months before expiry of the block for which fee has been paid.”.

- iii. in paragraph 2A, the words “renewal of registration under sub-regulation (1A) of regulation 9” shall be substituted with the words “permanent registration under sub-regulation (1) or sub-regulation (2) of regulation 8A”.
- iv. in paragraph 3, the word and figures “1 and 2A” shall be substituted with the word and figures “1, 1A, 1AA and 2A”.

U. K. SINHA

CHAIRMAN

SECURITIES AND EXCHANGE BOARD OF INDIA

Footnotes:

1. The principal regulations Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 were published in Official Gazette of India on May 31, 1993 vide F.No.SEBI/LE/5/93.

2. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 were subsequently amended on:

(a) November 28, 1995 by the Securities and Exchange Board of India (Payment of Fees) (Amendment) Regulations, 1995 vide No. S.O. 939 (E);

(b) September 17, 1997 by Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 1997 vide No. S.O. 660 (E).

(c) January 5, 1998 by the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 1998 vide No. S.O. 14 (E).

(d) September 30, 1999 by the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 1999 vide No. S.O. 796 (E).

- (e) November 17, 1999 by Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Second Amendment) Regulations, 1999 vide No. S.O. 1120 (E).
- (f) March 28, 2000 by the Securities and Exchange Board of India (Appeal to Securities Appellate Tribunal) (Amendment) Regulations, 2000 vide No. S.O. 278 (E).
- (g) May 29, 2001 by the Securities and Exchange Board of India (Investment Advice by Intermediaries) (Amendment) Regulations, 2001 vide No. S.O. 476 (E).
- (h) September 27, 2002 by the Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide No. S.O. 1045 (E).
- (i) October 1, 2003 by the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2003 vide No. S.O. 1157 (E).
- (j) 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).
- (k) September 7, 2006 by the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2006 vide S.O. No. 1452 (E).
- (l) May 26, 2008 by the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 vide Notification No. LAD/NRO/GN/2008/11/126538.
- (m) August 26, 2009 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 vide Notification No. LAD/NRO/GN/2009-10/15/174471.
- (n) April 13, 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.
