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**EXTRAORDINARY**

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**SECURITIES AND EXCHANGE BOARD OF INDIA**

**NOTIFICATION**

**Mumbai, the 17<sup>th</sup> May, 2013**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**(DEPOSITORIES AND PARTICIPANTS) (AMENDMENT) REGULATIONS, 2013**

No. LAD-NRO/GN/2013-14/09/5738.- In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) read with section 25 of the Depositories Act, 1996 (22 of 1996), the Board hereby makes the following Regulations to amend the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, namely:-

1. These Regulations may be called the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2013.
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 (Depositories and Participants) Regulations, 1996,-

(i) in regulation 20A, after sub-regulation (8), the following sub-regulations shall be inserted, namely:-

"(9) The participant, to keep the registration in force, shall pay registration fee as specified in Part A of the Second Schedule for every five years from the sixth year of the date of grant of certificate of permanent registration.

(10) The fee specified in sub-regulation (9) shall be paid three months prior to the expiry of the block for which the fee has been paid."

(ii) after regulation 39, the following regulation shall be inserted, namely:-

**"Consolidated account statement.**

**39A.** In order to enable generation of a consolidated account statement for the use of a beneficial owner in respect of all demat assets held by him, the

depository shall enter into necessary agreements for sharing of such information."

(iii) after regulation 64, the following regulation shall be inserted, namely:-

**"Liability for action in case of default by issuer or its agent.**

**64A.** (1) If an issuer or its agent -

- (a) contravenes any of the provisions of the Depositories Act, the bye-laws, agreements, these regulations and directions issued thereunder;
- (b) fails to furnish any information relating to its activity as an issuer as required under these regulations;
- (c) does not furnish the information called for by the Board under clause (a) of sub-section (1) of section 18 of the Depositories Act or furnishes information which is false or misleading in any material particular;
- (d) does not co-operate in any inspection or investigation or enquiry conducted by the Board;
- (e) fails to comply with any direction of the Board issued under section 18 of the Depositories Act,

the Board may, without prejudice to any other action which it may take under the Act, take any action against such issuer or its agent under the Depositories Act.

(2) The depository shall conduct inspection of the records of the issuers or agents, as the case may be to ensure that the records of dematerialised securities are reconciled with all the securities issued by the issuer and submit its report to the Board if there is failure by the issuers or agents in such reconciliation of records."

**U. K. SINHA  
CHAIRMAN  
SECURITIES AND EXCHANGE BOARD OF INDIA**

**Footnotes:**

1. The principal regulations, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 were published in the Gazette of India, Part II on May 16, 1996 vide S.O. No. 345(E).
2. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, were subsequently amended on:
  - (a) February 7, 1997 by the SEBI (Depositories and Participants) (Amendment) Regulations, 1997 vide S.O. No. 91(E).
  - (b) September 5, 1997 by the SEBI (Depositories and Participants) (Second Amendment) Regulations, 1997 vide S.O. No. 640(E).
  - (c) January 5, 1998 by the SEBI (Depositories and Participants) (Amendment) Regulations, 1998 vide S.O. No. 18(E).
  - (d) January 21, 1998 by the SEBI (Depositories and Participants) (Second Amendment) Regulations, 1998 vide S.O. No. 76(E).
  - (e) May 20, 1999 by the SEBI (Depositories and Participants) (Amendment) Regulations, 1999 vide S.O. No. 357(E).

- (f) July 7, 1999 by the SEBI (Depositories and Participants) (Second Amendment) Regulations, 1999 vide S.O. No. 546(E).
- (g) September 21, 1999 by the SEBI (Depositories and Participants) (Third Amendment) Regulations, 1999 vide S.O. No. 775(E).
- (h) December 26, 2000 by the SEBI (Depositories and Participants) (Amendment) Regulations, 2000 vide S.O. No. 1160(E).
- (i) May 29, 2001 by the SEBI (Investment Advice by Intermediaries) (Amendment) Regulations, 2001 vide S.O. No. 476(E).
- (j) September 27, 2002 by the SEBI (Procedure for holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide S.O. No. 1045(E).
- (k) June 16, 2003 by the SEBI (Depositories and Participants) (Amendment) Regulations, 2003 vide S.O. No. 696(E).
- (l) September 2, 2003 by the SEBI (Depositories and Participants) (Second Amendment) Regulations, 2003 vide S.O. No. 1014(E).
- (m) October 1, 2003 by the SEBI (Depositories and Participants) (Third Amendment) Regulations, 2003 vide S.O. No. 1156(E).
- (n) March 10, 2004 by the SEBI (Criteria for Fit and Proper Person) Regulations, 2004 vide S.O. No. 398(E).
- (o) June 10, 2004 by the SEBI (Depositories and Participants) (Amendment) Regulations, 2004 vide S.O. No. 696(E).
- (p) October 10, 2007 by the SEBI (Depositories and Participants) (Amendment) Regulations, 2007 vide No. 11/LC/GN/2007/4485.
- (q) March 17, 2008 by the SEBI (Depositories and Participants) (Amendment) Regulations, 2008 vide F. No. 11/LC/GN/2008/20494.
- (r) May 26, 2008 by the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 vide Notification No. LAD/NRO/GN/2008/11/126538.
- (s) August 8, 2008 by the SEBI (Depositories and Participants) (Second Amendment) Regulations, 2008 vide Notification No. LAD/NRO/GN/2008/18/134585.
- (t) June 19, 2009 by the SEBI (Facilitation of Issuance of India Depository Receipts) (Amendment) Regulations, 2009 vide Notification No. LAD/NRO/GN/2009-10/10/166936.
- (u) 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.
- (v) July 5, 2011 by the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2011 vide Notification No. LAD-NRO/GN/2011-12/14/21219.
- (w) September 11, 2012 by Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2012 vide Notification No. LAD-NRO/GN /2012-13/15/20426.

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