

REGISTRATION FOR ALL DIRECT INTERMEDIARIES - FAQs

What is the procedure for registration?

A first time applicant for MIRSD Direct Intermediary registration needs to pay the application fees through the Self-Registration tab in the SEBI Intermediary Portal (SI Portal). Kindly read the Self-Registration – FAQs for the same. Once the payment is confirmed, you will receive a login id and password. Using the same, kindly login to the registration tab and make an application for registration.

Kindly refer to 'Intermediary Specific' Regulations available on the following link for details on 'Consideration of Application':

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=1&ssid=3&smid=0>

1. I am a SEBI registered intermediary. I had been issued a certificate specifying a block period. Now my certificate block is getting over. Is the procedure for permanent registration also the same?

No, pursuant to the amendments carried out vide Gazette Notification no SEBI/LAD/NRO/GN/2016-17/023 dated December 08, 2016, the certificate of registration granted shall be valid unless it is suspended or cancelled by the Board. Thus, it is no longer required to send an application for permanent registration. However, the required fees as applicable for renewal/registration has to be paid. Pursuant to the payment of renewal fees, a new certificate shall be issued. Refer to question 10 in the Payment of Renewal Fees - FAQs

2. What are the fees for registration?

Kindly refer to 'Intermediary Specific Regulations' available on the following link for the same:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=1&ssid=3&smid=0>

3. How much time does it take to receive certificate of registration once an application has been made?

SEBI follows a transparent procedure for granting registration. By and large, reply is sent to the applicant within a period of 30 days. Once the requirements are complied with, certificate of registration is issued.

4. Once the division has raised queries to my application, what is the maximum time provided to me to reply?

The division provides a time of 15 days to reply to the queries that may be extended by another 15 days on the request of the entity. However, if the queries are not replied to or incomplete replies to the queries are received after 30 days, the application is liable to be dealt in the manner as deemed fit by SEBI.

5. Will there be a site visit at my location?

Yes, prior to the grant of registration, a pre-registration site visit shall be conducted at the principal place of business to assess the infrastructure and the experience of KMPs.

Pre-registration site visit is conducted for all MIRSD direct intermediary except Bankers to an Issue. The applicant should appoint KMPs before site visit. The KMPs and directors should be present at the time of site visit.

6. What infrastructure is checked by SEBI before granting registration?

The office should be ready for function with computer systems, printers, telephone, internet connection and adequate storage cabinets.

The premises should be fire compliant.

The server room should have a separate access and an assigned employee to handle it and the backup of the server should not be on the same premises. In case the applicant has opted for a cloud server, the details of the same should be provided along with an undertaking stating that the entity does not have a physical server on location.

Further, if any other SEBI registered activities are carried out from the same premises, the area earmarked for specific activity for which registration is sought should be clearly demarcated with a Chinese wall and should have restricted access.

7. What is the definition of KMPs? Should we refer to the Companies Act, 2013 for the same?

No, the Key Managerial Persons (KMPs) as identified by you for SEBI registration may or may not be the same as the ones identified under Companies Act, 2013.

For the purpose of SEBI registration, KMPs are referred to as the persons who shall be responsible for managing the business and those who have the requisite experience and expertise in the field.

8. I have identified one KMP. Can I apply for registration?

No, you need to have minimum two persons as KMPs.

The KMPs have to be full time employees of the applicant.

9. Can a Director be designated as a KMP?

Yes, the director, principal officer or compliance officer can be designated as a KMP.

10. Post successful submission of application or replying to queries, the status of the application shows 'In-Progress'? What does it mean?

The status 'In-Progress' post submission of application or replying to queries means that your application has been successfully submitted and is being reviewed by the SEBI officer. By and large, reply shall be sent to you within a period of 30 days.

11. Do I need to send physical documents that I have uploaded as scanned copies on the Portal?

Processing of the application shall start based on the scanned copies of documents uploaded with the application in SI portal. However, you also need to send physical documents to SEBI and ensure that you have uploaded all relevant documents on the online application for registration in the SI Portal. Any physical document sent without the same being uploaded on the SI Portal shall not be considered as a valid submission.

12. The KMPs and Compliance Officer have not taken the requisite NISM Certifications. Can I still apply for registration?

Yes, you may apply for SEBI registration. But, you need to provide an undertaking that the KMPs and Compliance Officer shall clear the NISM exam within 1 year from the date of grant of SEBI registration. However, it would be preferred that the KMPs and Compliance Officer have the required certification prior to starting the business.

13. Due to unforeseen circumstances, I do not wish to pursue the registration application. What is the procedure for withdrawal?

Kindly apply online on the SI Portal for withdrawal of registration application. However, application fees shall not be refunded.

A) FAQs for Merchant Banker Registration

1. I am a sole proprietor. Am I eligible to be a Merchant Banker?

No, as per Section 6(a) of SEBI (Merchant Bankers) Regulations, 1992 a Merchant Banker should be a body corporate as defined in Section 2(11) of the Companies Act, 2013. Applicants which are LLPs are also considered as Body Corporates and hence are eligible to make an application as Merchant Banker.

2. What is the minimum office space required?

There is no prescribed minimum office space required. However, the office should be adequate enough to have basic infrastructure like computers, printers, storage space for documents, separate access server room and a

Chinese wall in case the entity has other SEBI registered businesses in the same premises.

3. What is the minimum work experience required for KMPs? What is the kind of work that constitutes 'work experience' for the KMPs?

The applicant should have at least two KMPs who have an experience of at least two years in the relevant field.

The following may be considered as relevant experience for Merchant Banking*

- a. Working with a registered Merchant Banker.
- b. Advisors to an Issue as part of a CA firm

**The above list is not exhaustive and the application can be considered on a case to-case basis.*

The KMPs should have academic professional/master degree qualification of law, management, CA, CS, ICWA etc.

4. What is the list of documents required?

The list of documents required is attached in Merchant Banker Annexure 1 https://www.sebi.gov.in/sebi_data/commndocs/nov-2020/Merchant_Banker_Annexure_1_p.pdf

B) FAQs for RTA Registration

1. Under what category can I make an application for RTA?

You can apply as a Category-1 RTA or a Category-2 RTA

Category I: to carry on the activities as a registrar to an issue and share transfer agent;

Category II: to carry on the activity either as a registrar to an issue or as a share transfer agent;

2. What is the minimum office space required?

Category	Area (in carpet area)
I	1200 sq ft
II	500 sq ft

3. When will I get NSDL or CDSL connectivity?

You will get NSDL or CDSL connectivity post your application for SEBI registration is approved. For any further queries on connectivity, kindly contact the depositories.

4. What is the minimum work experience required for KMPs? What is the kind of work that constitutes 'work experience' for the KMPs?

The applicant should have at least two KMPs who have an experience of at least two years in the relevant field.

The following may be considered as relevant experience for RTA*

- a) Experience with a registered RTA
- b) Experience with a registered DP
- c) Experience of compliance related to share transfers

In case of experience of KMPs only in c) above, the work experience should be recent.

**The above list is not exhaustive and the application can be considered on a case to-case basis.*

A RTA also needs to have a key personnel having computer hardware/software experience.

5. What are the documents required for registration application?

The list of documents are attached at RTA Annexure 1 [https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/RTA Annexure 1_p.pdf](https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/RTA%20Annexure%201_p.pdf)

The Proforma and Additional Information Sheet are attached at RTA Annexure 2 [https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/RTA Annexure 2_p.pdf](https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/RTA%20Annexure%202_p.pdf)

C) FAQs for Debenture Trustees

1. What is the minimum office space required?

There is no prescribed minimum office space required. However, the office should be adequate enough to have basic infrastructure like computers, printers, storage space for documents, separate access server room and a Chinese wall in case the entity has other SEBI registered businesses in the same premises.

2. What is the minimum work experience required for KMPs? What is the kind of work that constitutes 'work experience' for the KMPs?

The applicant should have at least two KMPs who have an experience of at least two years in the relevant field.

The following may be considered as relevant experience for Debenture Trustee*

- a) Experience in a registered Debenture Trustee
- b) Experience in the compliance team of a company that has issued debentures
- c) Experience in 'liquidation' related matters of NCLT

**The above list is not exhaustive and the application can be considered on a case to-case basis.*

A Debenture Trustee also needs to have one Key Legal Personnel who has a LLB degree from an institution/university recognised by the Bar Council of India

3. What are the documents requirement for registration application?

The list of documents are attached at Debenture Trustee Annexure 1 [https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/Debenture Trustee Annexure 1_p.pdf](https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/Debenture%20Trustee%20Annexure%201_p.pdf)

D) FAQs for Credit Rating Agencies (CRA)

1. What is the minimum office space required?

There is no prescribed minimum office space required. However, the office should be adequate enough to have basic infrastructure like computers, printers, storage space for documents, separate access server room, and a Chinese wall between the Ratings and Research business of the entity.

2. What is the minimum work experience required for KMPs? What is the kind of work that constitutes 'work experience' for the KMPs?

The applicant should have at least two KMPs who have an experience of at least two years in the relevant field.

The following may be considered as relevant experience for CRA*

- a) Experience in a registered CRA
- b) Experience in ratings and appraisal in the financial and related sectors.

**The above list is not exhaustive and the application can be considered on a case to-case basis.*

3. Who can be a Promoter of a CRA? What is the minimum prescribed shareholding of a CRA?

Kindly refer to Section (4) 'Promoter of Credit Rating Agency' of SEBI (CRA) Regulations, 1999.

The promoter of a CRA has to have a minimum shareholding of 26% in the entity.

4. What are the documents requirement for registration application?

The list of documents are attached at CRA Annexure 1 [https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/CRA Annexure 1_p.pdf](https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/CRA%20Annexure%201_p.pdf)

E) FAQs for Bankers to an Issue (BTI)

1. What is the eligibility of a BTI?

Scheduled II Banks are only eligible to become a BTI.

2. What is the minimum office space required?

There is no prescribed minimum office space required. However, the office should be adequate enough to have basic infrastructure like computers, printers, storage space for documents, separate access server room, data processing and communication facilities and a Chinese wall between the BTI and other SEBI registered businesses.

3. What infrastructure is checked by SEBI before granting BTI registration?

SEBI does not conduct pre-registration site visits for BTI.

4. What is the minimum work experience required for KMPs? What is the kind of work that constitutes 'work experience' for the KMPs?

The applicant should have at least two KMPs who have an experience of at least two years in the relevant field.

The following may be considered as relevant experience for BTI*

- a) Experience in a registered BTI
- b) Experience in the Banking sector

**The above list is not exhaustive and the application can be considered on a case to-case basis.*

5. What are the documents requirement for registration application?

The list of documents are attached at BTI Annexure 1
[https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/BTI Annexure 1 p.pdf](https://www.sebi.gov.in/sebi_data/commondocs/nov-2020/BTI%20Annexure%201.pdf)