[141][**27** to **32**]

[142][CHAPTER VI
POWER TO RELAX STRICT ENFORCEMENT OF THE REGULATIONS

Exemption from enforcement of the regulations in special cases.

33. (1) The Board may, exempt any person or class of persons from the operation of all or any of the provisions of these regulations for a period as may be specified but not exceeding twelve months, for furthering innovation [143][***] relating to testing new products, processes, services, business models, etc. in live environment of regulatory sandbox in the securities markets.

(2) Any exemption granted by the Board under sub-regulation (1) shall be subject to the applicant satisfying such conditions as may be specified by the Board including conditions to be complied with on a continuous basis.

Explanation. — For the purposes of these regulations, "regulatory sandbox" means a live testing environment where new products, processes, services, business models, etc. may be deployed on a limited set of eligible customers for a specified period of time, for furthering innovation in the securities market, subject to such conditions as may be specified by the Board.]

FIRST SCHEDULE
FORMS

[See regulation 2(h)]

FORM A

[144][SECURITIES AND EXCHANGE BOARD OF INDIA (CUSTODIAN) REGULATIONS, 1996]

(See Regulation 3(3))

Application for grant of certificate of registration as

[145][Custodian]

Securities and Exchange Board of India Mittal Court, 'B' wing,
1st Floor Nariman Point, Mumbai 400021 - India

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[141] Regulations 27 to 32 omitted by the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, w.e.f. 27-9-2002.

[142] Inserted by the SEBI (Regulatory Sandbox) (Amendment) Regulations, 2020, w.e.f. 17-04-2020.

[143] The words “in technological aspects” omitted by the Securities and Exchange Board of India (Regulatory Sandbox) (Amendment) Regulations, 2021, w.e.f. 03-08-2021.

[144] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

[145] Substituted ibid for the words “custodian of securities”.

INSTRUCTIONS:

i. This form is meant for use by the applicant for application for grant of certificate of registration as [146][custodian].

ii. The applicant should complete this form, and submit it, along with all supporting documents to the Board at its head office at Mumbai.

iii. This application form should be filled in accordance with the [147][SEBI (Custodian) Regulations, 1996].

iv. The application will be considered by the Board provided it is **complete in all respects.**

v. All answers must be typed.

vi. Information which needs to be supplied in more detail may be given on separate sheets which should be attached to the application form.

vii. The application must be signed and all signatures must be original.

viii. The application must be accompanied by an **application fee** as specified in the Second Schedule to the [148][SEBI (Custodian) Regulations, 1996].

ix. Every page of the form and every additional sheet **must be initialled** by the authorised signatory of the applicant.

x. All copies of documents should be [149][self-attested].

1. Name, address of the registered office, address for correspondence, telephone number(s), fax number(s), telex number(s) of the applicant and the name of the contact person.

2. Please indicate to which of the following categories the applicant belongs:

(i) Foreign bank

(ii) Domestic bank

(iii) Financial Institution

(iv) Other

3. (a) Date and place of incorporation or establishment and date of commencement of business (enclose certificate of incorporation, memorandum and articles of association or statutory provisions, if any, under which incorporated or established).

(b) Details of the activities carried on by the applicant, in India or overseas.

(c) Details of affiliates and subsidiaries of the applicant operating in India, and activities carried on by them.

(d) Details of registration with the Securities and Exchange Board of India or with the Reserve Bank of India or with any regulatory authority overseas of the applicant, and of its affiliates and subsidiaries operating in India.

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[146] Substituted for the words "custodian of securities" by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

[147] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

[148] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

[149] Substituted for the words "attested as true by an authorised notary" by the Securities and Exchange Board of India (Attestation of Documents) (Amendment) Regulations, 2024, w.e.f. 28-11-2024.

(e) In case the applicant is buying, selling or otherwise dealing with the securities market as a [150][custodian] immediately before the 24th March, 1995.
(i) Date of commencement of business as "[151][custodian]" in case of banks, please enclose copies of the Reserve Bank of India's permission, and if applicable, copies of approval from the Central Government, to carry on activities as [152][custodian].
(ii) Type and number of existing clients (Financial Institutions, Mutual Funds, Foreign Institutional Investors, Depository Receipts, Portfolio Managers, Non Banking Finance Companies, Stock Brokers, Corporates, Individuals.)
(iii) Volume of assets under custody.
4. Please state whether the applicant, director or principal officer is involved in any litigation connected with the securities market which has an adverse bearing on the business of the applicant; or has at any time been convicted for any moral turpitude or at anytime has been found guilty of any economic offence.
5. Please also state whether there has been any instance of violation or non adherence to the securities laws, code of ethics/conduct, code of business rules, for which the applicant, or its parent or holding company or affiliate may have been subject to economic, or criminal, liability, or suspended from carrying out its operations, or the registration revoked temporarily.
6. Please indicate the net worth and paid-up capital in Rupees as per the latest audited financial statements of the applicant (enclose copy).
7. Please indicate services that are provided to clients or are proposed to be provided to clients as [153][custodian].
8. Please provide the following details regarding infrastructure:
(i) space owned in square feet (please indicate location and enclose copy of title);
(ii) space on lease in square feet (please indicate location and enclose copy of lease agreement);
(iii) space on rent in square feet (please indicate location and enclose copy of rental agreement);
[154][(iv) details of vault or warehouse, for each vault or warehouse (in case the vault or warehouse is built to any specific standard, give details and documentary evidence thereof).]
9. Please provide the following details regarding staff involved in activities as [155][custodian]:
(i) organisation structure;

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[150] Substituted ibid for the words "custodian of securities".
[151] Substituted for the words "custodian of securities" by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.
[152] Substituted for the words "custodian of securities" by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.
[153] Substituted ibid for the words "custodian of securities".
[154] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019. Prior to such substitution, sub-clause (iv) read as –
"(iv) details of vault, for each vault (in case the vault is built to any specific standard, give details and documentary evidence thereof)."
[155] Substituted for the words "custodian of securities" by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

(ii) experience and background of key personnel.
10. Please provide the following details regarding safekeeping and security systems and procedures:
(i) [156][warehouse,] vault security and access control systems;
(ii) systems for tracking securities [157][and goods];
(iii) risk control and operations manuals (enclose copies);
(iv) give details of independent internal control mechanisms for monitoring, evaluation and review of accounting safekeeping and reporting systems and procedures.
11. Please provide the following details regarding automatic data processing systems and record keeping:
(i) details of hardware, software and communications systems, their capability, function and location;
(ii) details of data storage and back up procedures and sites, their capability, function and location;
(iii) details of disaster recovery systems and procedures.
12. Declaration statement (to be given as below)
We hereby agree and declare that the information supplied in the application, including the attachment sheets, is complete and true.

We further agree that, we shall notify the Securities and Exchange Board of India immediately any change in the information provided in the application.

We further agree that we shall comply with, and be bound by the Securities and Exchange Board of India Act, *1992*, and the [158][Securities and Exchange Board of India (Custodian) Regulations, 1996], and such other guidelines/instructions as may be announced by the Securities and Exchange Board of India from time to time.

We further agree that as a condition of registration, we shall abide by such operational instructions/directives as may be issued by the Securities and Exchange Board of India from time to time.
For and on behalf of……
(Name of the applicant)
Authorised signatory ....
(Name) (Signature)
Date:
Place :

FORM B

[156] Inserted ibid.
[157] Inserted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.
[158] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

(See regulation 8)

[159][SECURITIES AND EXCHANGE BOARD OF INDIA (CUSTODIAN) REGULATIONS, 1996]

CERTIFICATE OF REGISTRATION AS [160][CUSTODIAN]

I. In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), read with the regulations made thereunder, the Board hereby grants a certificate of registration to _____ as a [161][custodian] subject to the conditions specified in the Act and in the regulations made thereunder.

II. The Registration Number of the [162][custodian] is IN..... /...../..... /....

Date:

Place: **MUMBAI**

By order
Sd/-
For and on behalf of
Securities and Exchange Board of India

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[159] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

[160] Substituted ibid for the words "custodian of securities".

[161] Substituted for the words "custodian of securities" by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019.

[162] Substituted by the Securities and Exchange Board of India (Custodian of Securities) (Amendment) Regulations, 2018, w.e.f. 1-1-2019