thereunder, the Board hereby grants a certificate of registration to .... as a merchant banker in Category I/II subject to the conditions in the regulations to carry out the activities made permissible for its Category under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.]

II. Registration Code for the merchant banker is MB.

III. [129][This certificate of registration shall be valid unless it is suspended or cancelled by the Board.]

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

Place :

Date :

*[130][**FORM C***

****]*

SCHEDULE II

Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

[Regulation 12]

FEES

[131][1. Every merchant banker shall pay a sum of [132][twenty lakh] rupees as registration fee at the time of grant of certificate of [133][***] registration.

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*2. Investment Adviser

*5. Manager, consultant or Adviser to any issue including corporate advisory services.

*6. Consultant or Adviser.

(*Delete whichever are not applicable)"

[129] Substituted by the Securities and Exchange Board of India (Change In Conditions Of Registration Of Certain Intermediaries) (Amendment) Regulations, 2016 w.e.f. 08-12-2016. Prior to substitution, paragraph III as substituted by the Securities and Exchange Board of India (Merchant Bankers) Regulations, 2011 w.e.f. 05-07-2011 read as under:

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

Prior to substitution by the Securities and Exchange Board of India (Merchant Bankers) Regulations, 2011 w.e.f. 05-07-2011, the paragraph read as under:

"This certificate shall be valid from..........to........and may be renewed as specified in regulation 9 of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992."

[130] Omitted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, w. e. f., 26-08-2009.

[131] Substituted by the Securities and Exchange Board of India (Merchant Bankers) (Amendment) Regulations, 2011 w.e.f. 05-07-2011. Prior to the substitution the paragraphs as amended by the Securities and Exchange Board of India (Merchant Bankers) (Amendment) Regulations, 1996 and Securities and Exchange Board of India (Merchant Bankers) (Third Amendment) Regulations, 2006 read as under:

"1. Every merchant banker shall pay a sum of [*ten lakh rupees*] as registration fees at the time of the grant of certificate by the Board.

2. A merchant banker to keep registration in force shall pay renewal fee of [*five lakh rupees*] every three years from the fourth year from the date of initial registration."

1A. [134][***]

2. [135][A merchant banker who has been granted a certificate of registration, to keep its registration in force, shall pay a fee of nine lakh rupees every three years from the sixth year, from the date of grant of certificate of registration or from the date of grant of certificate of initial registration granted prior to the commencement of the Securities and Exchange Board of India (Change in Conditions of Registration of Certain Intermediaries) (Amendment) Regulations, 2016, as the case may be.]

3.(*a*) The fee referred to in paragraph 1 shall be paid by the merchant banker within fifteen days from the date of receipt of intimation from the Board under sub-regulation (1) of regulation 8.

[136][(aa) ***]

[137][(b) The fee referred to in paragraph 2 shall be paid by the merchant banker one month before the expiry of the block for which the fee has been paid.]

[138][3A. The non-refundable fee payable along with an application for registration under sub-regulation (1A) of regulation 3 [139][***] shall be a sum of [140][fifty thousand] rupees.]

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[132] Substituted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014, w.e.f.23-5-2014 for the words "thirteen lakh thirty three thousand and three hundred".

[133] The words "initial" was omitted by the Securities and Exchange Board of India (Change In Conditions Of Registration Of Certain Intermediaries) (Amendment) Regulations, 2016 w.e.f. 08-12-2016.

[134] Omitted by the by the Securities and Exchange Board of India (Change In Conditions Of Registration Of Certain Intermediaries) (Amendment) Regulations, 2016 w.e.f. 08-12-2016. Prior to omission, paragraph 1A read as under:

"1A. A merchant banker referred to under sub-regulation (3) of regulation 8 shall pay fee for the remaining period of two years on *pro rata* basis to the fee prescribed under paragraph 2. "

[135] Substituted by the by the Securities and Exchange Board of India (Change In Conditions Of Registration Of Certain Intermediaries) (Amendment) Regulations, 2016 w.e.f. 08-12-2016. Prior to substitution, paragraph 2 read as under:

"2. A merchant banker who has been granted a certificate of permanent registration, to keep its registration in force, shall pay a fee of [135][nine] lakh rupees 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."

Prior to above, the word "nine" was substituted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014, w.e.f. 23-5-2014 for the word "five".

[136] Omitted by the by the Securities and Exchange Board of India (Change In Conditions Of Registration Of Certain Intermediaries) (Amendment) Regulations, 2016 w.e.f. 08-12-2016. Prior to omission, clause (aa), as inserted by the Securities and Exchange Board of India (Merchant Bankers) (Amendment) Regulations, 2011 w.e.f. 05-07-2011 read as under:

"(aa) The fee referred to in paragraph 1A shall be paid by the merchant banker 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."

[137] Substituted by the SEBI (Payment of Fees and Mode of Payment) (Amendment) (Regulations) 2021 w.e.f. 05-05-2021. Prior to substitution the clause read as:

"b) The fee referred to in paragraph 2 shall be paid by the merchant banker three months before expiry of the block for which fee has been paid."

[138] Inserted by the Securities and Exchange Board of India (Merchant Bankers) (Third Amendment) Regulations, 2006. w.e.f. 7-9-2006.

[139] The words "or an application for [139][permanent registration under sub-regulation (1) or sub-regulation (2) of regulation 8A" omitted by the Securities and Exchange Board of India (Change In Conditions Of Registration Of Certain Intermediaries) (Amendment) Regulations, 2016 w.e.f. 08-12-2016.

Prior to this, the words "permanent registration under sub-regulation (1) or sub-regulation (2) of regulation 8A" were substituted for the words "renewal of registration under sub-regulation (1A) of regulation 9" by the Securities and Exchange Board of India (Merchant Bankers) (Amendment) Regulations, 2011 w.e.f. 05-07-2011.

[140] Substituted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014, w.e.f. 23-5-2014 for the words "twenty five"

[141][4. The fee specified in paragraphs 1, 2 and 3A shall be payable by the merchant banker by way of direct credit in the bank account through online payment using SEBI payment gateway.]

[142][*SCHEDULE III*

Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

[Regulation 13]

CODE OF CONDUCT FOR MERCHANT BANKERS

1. A merchant banker shall make all efforts to protect the interests of investors.

2. A merchant banker shall maintain high standards of integrity, dignity and fairness in the conduct of its business.

3. A merchant banker shall fulfil its obligations in a prompt, ethical, and professional manner.

4. A merchant banker shall at all times exercise due diligence, ensure proper care and exercise independent professional judgment.

5. A merchant banker shall endeavour to ensure that—

(*a*) inquiries from investors are adequately dealt with;

(*b*) grievances of investors are redressed in a timely and appropriate manner;

(*c*) where a complaint is not remedied promptly, the investor is advised of any further steps which may be available to the investor under the regulatory system.

6. A merchant banker shall ensure that adequate disclosures are made to the investors in a timely manner in accordance with the applicable regulations and guidelines so as to enable them to make a balanced and informed decision.

7. A merchant banker shall endeavour to ensure that the investors are provided with true and adequate information without making any misleading or exaggerated claims or any misrepresentation and are made aware of the attendant risks before taking any investment decision.

8. A merchant banker shall endeavour to ensure that copies of the prospectus, offer document, letter of offer or any other related literature is made available to the investors at the time of issue or the offer.

9. A merchant banker shall not discriminate amongst its clients, save and except on ethical and commercial considerations.

10. A merchant banker shall not make any statement, either oral or written, which would misrepresent the services that the merchant banker is capable of performing for any client or has rendered to any client.

11. A merchant banker shall avoid conflict of interest and make adequate disclosure of its interest.

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[141] Substituted by the SEBI (Payment of Fees and Mode of Payment) (Amendment) (Regulations) 2021 w.e.f. 05-05-2021. Prior to substitution the clause read as:

"4. The fees specified in paragraphs 1, 2, and 3A shall be payable by the merchant banker by way of direct credit in the bank account through NEFT/RTGS/IMPS or any other mode allowed by RBI or by a demand draft in favour of 'Securities and Exchange Board of India' payable at Mumbai or at the respective regional office."

[142] Substituted by the Securities and Exchange Board of India (Merchant Banker) (Amendment) Regulations, 2003 w.e.f, 01.10.2003.