



**CIRCULAR**

**SEBI/HO/MRD/DOP2-DSA2/CIR/P/2019/22**

January 23, 2019

To  
All Depositories,

Dear Sir / Madam,

**Sub: Clarifications in SEBI (Depositories and Participants) Regulations,  
2018**

SEBI, vide notification dated October 03, 2018, issued Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 [SEBI (D&P) Regulations, 2018].

2. Stock Exchanges, Depositories, Public Financial Institutions and Public Sector Banks had sought certain clarifications from SEBI with regard to the applicability of Regulation 24 (9) and Regulation 24 (10) of SEBI (D&P) Regulations, 2018. In this regard, it is clarified that:

(i) For the purpose of Regulation 24 (9) and Regulation 24 (10) of SEBI (D&P) Regulations 2018, a recognized clearing corporation shall not be considered as a Depository Participant.

(ii) For the purpose of 24(10) of SEBI (D&P) Regulations 2018, in addition to the directors, employee/s of entities mentioned in Regulation 24 (10) shall not be considered as Depository Participant or their associate.

3. In view of the above, Depositories are directed to:

(i) take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant bye-laws, rules and regulations;



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- (ii) bring the provisions of this circular to the notice of the depository participants / other market participants and also disseminate the same on their website;
- (iii) communicate to SEBI the status of implementation of the provisions of this circular through monthly development report.
4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with Section 19 of the Depositories Act, 1996 in the interests of investors in securities and to promote the development of, and to regulate the securities market.
5. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) at “Legal Framework→Circulars”.

Yours faithfully,

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**Deputy General Manager**  
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