



EXECUTION ONLY PLATFORMS

(Category II – EOPs offering services through stock exchanges)

BASIC REQUIREMENTS FOR MAKING AN APPLICATION TO SEBI



Are you looking to apply to SEBI for an Execution Only Platform (EOP) license?

Here are the basic checks you need to do before you make the application.

#1 - Who can apply for EOP's Category II license?

Body Corporate i.e Company or Limited Liability Partnership (LLP) can apply.

#2 – Personnel details –

a) The entity needs to appoint **at least two to Key Managerial Personnel** with

- Qualification requirements: Professional qualification in finance, accountancy, law, engineering, company secretaryship or management from a university or an institution recognized by the Central Government or any State Government or a foreign university

OR

a professional qualification by completing a Post Graduate Program in Securities Market offered by NISM of a duration not less than **one year**

AND

- Experience requirements: Experience of at **least three years** each in the securities market

AND

- Certification requirements: The KMPs need to complete NISM Series VII certification.

b) The entity needs to appoint a **Compliance Officer**. The compliance officer has to complete NISM Series III-A certification.

#3 – Net worth and Paid-Up Capital Requirements: The entity needs to maintain a Net Worth of Rs. 1 crore. The paid-up capital should be minimum Rs. 30 Lakhs.

Net worth means the aggregate of the paid up capital and free reserves of the company after deducting therefrom miscellaneous expenditure to the extent not written off or adjusted or deferred revenue expenditure, intangible assets and accumulated losses.



#4 – Base Minimum Capital (Deposit) Requirements: The entity has to maintain a Base Minimum Capital of Rs. 10 lakhs with the stock exchange.

Out of Base Minimum Capital deposit, 50% has to be in the form of cash or cash equivalents.

This requirement is applicable once the license is received.

#5 - Clause for business activity: You need to ensure that there is a clause in the Memorandum of Association of your company or the partnership agreement of the LLP specifying that the entity intends to engage in business as a trading member.

#6 – Fee details

There is no fee payable to SEBI.

Stock Exchange fee are as follows:

	BSE fees (INR)
Ernest Money Deposit (Refundable incase application rejected)	1,00,000
Admission Fees	50,000
Application Processing Fees	5,000

Membership Fees	BSE Fees (INR)
Membership Deposit	10,00,000
Annual Charges	1,00,000

*The fees are exclusive of taxes.

Still have queries and want to understand how regulations are applicable in your specific context?

[Book a phone consultation now!](#)