

## **SEBI CIRCULAR - EASE OF DOING BUSINESS – RELAXATION IN CERTIFICATION REQUIREMENT FOR PERSONS ASSOCIATED WITH RESEARCH SERVICES (PARS) – SALES AND OTHER NON-CORE SERVICES**

**SEBI Circular No. HO/38/12/(5)2026-MIRSD-POD/I/6703/2026 2026 dated March 11, 2026**

The **Securities and Exchange Board of India (SEBI)** issued a circular addressing to all registered Research Analysts and the Research Analyst Administration and Supervisory Body (RAASB).

The primary objective of this circular is to promote the **“Ease of Doing Business”** by relaxing the certification requirements for specific categories of staff within research firms. Specifically, it targets **Persons Associated with Research Services (PARS)** who are engaged in sales and other non-core activities rather than the actual technical research process.

Historically, under Regulation 7 of the SEBI (Research Analysts) Regulations, 2014, all PARS were required to obtain certification from the **National Institute of Securities Markets (NISM)**. A subsequent Gazette Notification in February 2025 mandated that these associated persons pass the **“NISM Series-XV: Research Analyst Certification Examination”**. This blanket requirement applied to all staff regardless of whether their role was technical or purely administrative/sales-oriented.

Following feedback from market participants, SEBI recognized that the existing Series-XV certification might be overly rigorous for staff who do not handle core research tasks. The impact of this circular is the introduction of a **“lighter” NISM certification module** tailored for staff who have client contact but are not involved in research-related aspects. This includes:

- **Sales staff.**
- **Relationship managers.**
- **Other staff performing non-core services.**

Under the new guidelines, these non-core PARS are now required to pass the **“NISM Series-XXV-A: Persons Associated with Research Services (Sales and Other Non-Core Services) Certification Examination”**. This specific examination was established via a NISM Communique dated January 30, 2026. By creating a specialized, less technical path for sales and support staff, SEBI aims to reduce the compliance burden on research entities.

Conversely, the circular clarifies that the standard for core research personnel remains unchanged. Any PARS **other than those in sales or non-core roles**—meaning those directly involved in the analytical and research functions—must continue to obtain and maintain the more comprehensive **“NISM Series-XV: Research Analyst Certification Examination”**. This

ensures that the technical integrity of actual investment research is not compromised by the "ease of doing business" relaxations.

To ensure a smooth transition and minimize disruption for existing employees, SEBI has included a **grandfathering provision**. PARS in non-core roles who have **already obtained the NISM Series-XV certification** as of the date of the circular are not required to immediately sit for the new Series-XXV-A exam. They are permitted to continue using their current certification until it expires, at which point they must switch to the new Series-XXV-A module.

The **Research Analyst Administration and Supervisory Body (RAASB)** have been given specific directives to facilitate this change. Their responsibilities include:

- Amending relevant **bye-laws and rules** to reflect the new certification tracks.
- Formally notifying all registered Research Analysts of these changes.
- Disseminating the provisions of this circular clearly on their **official website**.

These provisions came into **immediate effect** as of March 11, 2026. The circular was issued under the authority of Section 11(1) of the SEBI Act, 1992, and relevant Research Analyst and Certification regulations.

The overarching goal is to balance the **protection of investor interests** with the need to regulate and develop the securities market in a manner that is practical for market participants.

In summary, the impact of this circular is a **strategic bifurcation of certification standards** based on job function. By distinguishing between those who "sell" research and those who "conduct" research, SEBI is streamlining the entry requirements for support roles while maintaining high professional standards for analysts. This move is expected to lower operational hurdles for research firms and allow for more efficient staffing of sales and relationship management departments.