

**SECURITIES AND EXCHANGE BOARD OF INDIA
(REGULATORY FEE ON STOCK EXCHANGES) REGULATIONS,
2006**

CONTENTS

CHAPTER 1 :- PRELIMINARY

1. Short title and commencement
2. Definitions

**CHAPTER 2 :-LEVY AND PAYMENT OF REGULATORY FEE ON
STOCK EXCHANGES**

3. Regulatory fee on stock exchanges
4. Rate of regulatory fee
5. Manner of payment of fee

CHAPTER 3 :- MISCELLANEOUS

6. Other duties of recognised stock exchanges

**SECURITIES AND EXCHANGE BOARD OF INDIA
(REGULATORY FEE ON STOCK EXCHANGES) REGULATIONS,
2006**

In exercise of the powers conferred by Section 30 read with clause (k) of sub-section (2) of Section 11 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations, namely:

CHAPTER 1
PRELIMINARY

1. Short title and commencement :-

(1) These regulations may be called the Securities and Exchange Board of India (Regulatory Fee on Stock Exchanges) Regulations, 2006.

(2) They shall come into force on the first day of January 2007.

2. Definitions :-

(1) In these Regulations, unless the context otherwise requires :-

- (a) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (b) "Board" means the Securities and Exchange Board of India established under provisions of Section 3 of the Act;
- (c) "company" means a company as defined in Section 3 of the Companies Act, 1956 (1 of 1956);
- (d) "financial year" means the period of twelve months commencing on the first day of April every year;
- (e) "quarter" means the period of three months commencing on the first day of April, July, October and January of each financial year;
- (f) "recognised stock exchange" means a stock exchange which has been granted recognition under S.4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956); and
- (g) "regulatory fee" means fees levied by the Board under these regulations for carrying out the functions under the Act and the Securities Contracts (Regulation) Act, 1956 (42 of 1956).

(2) All other words and expressions used but not defined in these regulations, but defined in the Act or in the Companies Act, 1956 (1 of 1956) or in Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the rules and the regulations made thereunder or in the scheme, shall have the same meanings respectively assigned to them in such Acts or the rules or the regulations made thereunder or any statutory modification or re-enactment thereto, as the case may be.

CHAPTER 2

LEVY AND PAYMENT OF REGULATORY FEE ON STOCK EXCHANGES

3. Regulatory fee on stock exchanges :-

On and from the commencement of these regulations, there shall be charged on every recognised stock exchange, a regulatory fee payable to the Board, at such rates and within such time as , is mentioned in regulation 4.

4. Rate of regulatory fee :-

(1) A recognised stock exchange having an annual turnover mentioned in column (2) of the following Table shall pay to the Board, within thirty days of conclusion of the relevant financial year, an amount mentioned in the corresponding entry in column

(3) of the said Table:

Sl. No.	Annual Turnover (Rupees in crores)	Amount of fee (Rs.)
(1)	(2)	(3)
1.	Less than or equal to 10,000	1,00,000
2.	More than 10,000 but less than or equal to 1,00,000	10,00,000
3.	More than 1,00,000 but less than or equal to 5,00,000	50,00,000
4.	More than 5,00,000 but less than or equal to 10,00,000	1,00,00,000
5.	More than 10,00,000	2,00,00,000

Explanation: For the purposes of this sub-regulation, the expression "annual turnover" shall mean the aggregate value of the transactions which took place on the recognised stock exchange during the relevant financial year.

(2) A recognised stock exchange shall also pay to the Board, within fifteen days of end of each quarter of a financial year, an amount equal to ten per cent of the aggregate of listing fees collected by it from issuers whose securities are listed on it, during that quarter:

Provided that the fees due under sub-regulation (2) in respect of the last quarter of a financial year may be paid within thirty days of conclusion of the quarter, together with the fees due under sub-regulation (1).

Explanation: For the purposes of this sub-regulation, the expression "listing fees" shall mean all fees collected by a recognised stock exchange from any company or other entity whose securities are listed thereon, towards listing of such securities.

5. Manner of payment of fee :-

(1) The fee mentioned in regulation 4 shall be paid by a recognised stock exchange by means of a demand draft drawn in favour of the "Securities and Exchange Board of India", payable at Mumbai and shall be accompanied by a statement of computation of the fees.

(2) The statement of computation of fees mentioned in sub-regulation (1) shall be certified to be correct by a chartered accountant.

CHAPTER 3

MISCELLANEOUS

6. Other duties of recognised stock exchanges :-

(1) Every recognised stock exchange shall maintain such registers and furnish such returns or information to the Board in respect of its annual turnover, the listing fees collected by it and the fee paid or payable under these regulations, as may be specified by the Board.

(2) Without prejudice to sub-regulation (1), a recognised stock exchange shall also be liable to furnish such information or explanations to the Board as may be required by it in respect of its regulated functions and the fee paid or payable under these regulations.

(3) Where due to the default of the recognised stock exchange, any fee which was liable to be paid under regulation 4 remains unpaid or is paid belatedly or is short-paid, it shall, without prejudice to any other action that may be taken under the Act, rules or regulations, pay an interest of fifteen per cent per annum on the amount remaining unpaid or belatedly paid or short-paid, for every month of delay or part thereof to the Board.