**THE GAZETTE OF INDIA**

**EXTRAORDINARY**

**PART –II – SECTION 3 – SUB SECTION (ii)**

**PUBLISHED BY AUTHORITY**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**NOTIFICATION**

**Mumbai, the 14th December 2006**

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

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**S.O. No. 2097(E).** 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 I

## PRELIMINARY

**Short title and commencement**

**1.** (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.

**Definitions**

**2.** (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 section 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).

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(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 II

## LEVY AND PAYMENT OF REGULATORY FEE ON STOCK EXCHANGES

**Regulatory fee on stock exchanges**

**3.** 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.

**Rate of regulatory fee**

**4.** (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.<br>(1) | Annual Turnover (Rupees in crores)<br>(2) | Amount of fee (Rs.)<br>(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. | 1[More than 10,00,000 | ₹1,00,00,000 plus 0.000012 per cent of the annual turnover in excess of ₹10,00,000 crores] |

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Explanation: For the purposes of this sub-regulation, the expression "annual turnover" shall mean the aggregate value of the transactions [2][excluding turnover on agricultural commodity derivatives] which took place on the recognised stock exchange during the relevant financial year:

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1 Substituted by the Securities and Exchange Board of India (Payment of Fees)(Amendment) Regulations, 2019 w.e.f. 01-04-2019. Prior to this, it read as:

| Sl. No.<br>(1) | Annual Turnover (Rupees in crores)<br>(2) | Amount of fee (Rs.)<br>(3) |
|---|---|---|
| 5. | More than 10,00,000 | *[Rs1,00,00,000 plus 0.00006% of the annual turnover in excess of Rs. 10,00,000 crores, subject to a maximum of Rs.20,00,00,000] |

*Substituted for figure "2,00,00,000" by SEBI (Payment of Fees)(Amendment) Regulations, 2014, w.e.f. 23-05-2014.

2 Inserted by the Securities and Exchange Board of India (Regulatory Fee on Stock Exchanges) (Amendment) Regulations, 2018, w.r.e.f. April 01, 2018

[3][Provided that the recognized stock exchanges shall pay a flat regulatory fee of one lac rupees on aggregate value of the transactions on agricultural commodity derivatives.]

[4][***]

(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).

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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.

**Manner of payment of fee**

**5.** [5][(1) The fee mentioned in regulation 4 shall be paid by a recognised stock exchange by way of direct credit in the bank account through NEFT/RTGS/IMPS or any other mode allowed by RBI or by means of a demand draft drawn in favour of "Securities and

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3 Inserted by the Securities and Exchange Board of India (Regulatory Fee on Stock Exchanges) (Amendment) Regulations, 2018, w.e.f. April 01, 2018

4 Omitted by the Securities and Exchange Board of India (Regulatory Fee on Stock Exchanges) (Amendment) Regulations, 2018, w.e.f. October 01, 2018. Prior to the omission, the proviso read as follows:
"Provided that for a period of two years from the date of commencement of Securities and Exchange Board of India (Regulatory Fee on Stock Exchanges) (Amendment) Regulations, 2015, a regional commodity derivatives exchange shall pay to the Board, an annual regulatory fee of fifty thousand rupees, within thirty days of conclusion of the relevant financial year."

5 Substituted by the SEBI (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017, w.e.f. 6-3-2017. Prior to the same, sub-regulation (1) read as follows:
"(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."

Exchange Board of India", payable at Mumbai and the intimation of remittance or the demand draft, as applicable, shall be forwarded along with the statement of computation of the fee.]

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

## CHAPTER III
## MISCELLANEOUS

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**Other duties of recognised stock exchanges**

**6.** (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.

**M. DAMODARAN**

**CHAIRMAN**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

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