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MRD/DoP/SE/Cir-14/2009
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**The President/Executive Director/
Managing Director of all the Stock Exchanges**

Dear Sir/Madam,

Sub: Revision of transaction charges by the stock exchanges.

1. Transaction charges are being levied by the stock exchange on the trades executed on their trading platform. It is noticed that recently stock exchanges have reduced / waived transaction charges.
2. Stock exchanges, while revising such transaction charges, are advised to ensure that:
 - a) The stock exchange system is capable of handling additional load.
 - b) It does not affect the existing risk management system.
 - c) It does not favour selective trades or selective category of investor.
 - d) It does not encourage generation of artificial demand.
 - e) It does not result in any market irregularities.
 - f) It is uniformly applied to trades of similar nature.
 - g) It is imposed in fair and transparent manner.
3. The Stock Exchanges are also advised to bring the provisions of this circular to the notice of the member brokers/clearing members of the Exchange and also to disseminate the same on the website.
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 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

Harini Balaji