

Sebi may lower broker fee to Rs 15 per transaction of Rs 1 crore

The Securities and Exchange Board of India (Sebi) is looking to lower broker fee to Rs 15 per transaction of Rs 1 crore as part of calibration of various other fees collected by the regulator from different market intermediaries.

Even after reducing the broker fee, Sebi is expected to see an increase in its overall fee income as certain new charges would be levied including filing fee for draft scheme of arrangements and processing fee on application for relaxation in certain regulations.

The board of Sebi will consider a proposal in this regard this week, sources said.

Under the proposal, the markets regulator will reduce broker fee from Rs 20 for Rs 1 crore transactions to Rs 15 per crore of transactions. It has been a long pending demand of broker and market participants.

The move would lead to reduction in the overall cost of transactions, benefit investors and help promote the development of securities markets.

Besides, the regulator would consider a proposal of calibrating the fees, upwards or downwards, for other regulatory works.

It plans to levy a filing fees on draft scheme of arrangements on the lines of amount charged for placing offer documents. Sebi observed that similar work and allocation of resources are involved in respect of processing of draft schemes of arrangements as it is for offer documents.

Further, it plans to charge fee for application under buyback regulations.

It is considering to impose a processing fee of Rs 1 lakh on an application for relaxation of strict enforcement of Sebi's ICDR (Issue of Capital and Disclosure Requirements) regulations. Currently, no fee is being charged for processing of such requests.

Also, it plans to revise upwards the panel exemption fee under Takeover norms to Rs 5 lakh from Rs 3 lakh. With regard to regulatory fee from exchanges, Sebi would continue with the present fee structure.

The markets regulator is expected to see an increase in its overall fee income to Rs 444.38 crore in the current fiscal (2016-17). Earlier it has projected around Rs 393 crore for the ongoing financial year.

(Times of India)