1. The Managing Directors / Chief Executive Officers / Executive Directors / Officiating Executive Directors of all the Stock Exchanges,
2. MD and CEO, NSDL
3. MD and CEO, CDSL

Dear Sir/s,

Sub: Review of Annual Issuers’ charges

1. Please refer to SEBI Circular No. MRD/DoP/SE/Dep/Cir-4/2005 dated January 28, 2005 vide which Depositories were allowed/permit to levy and collect the charges towards custody from the issuer.

2. In partial modification to our aforementioned circular and in light of representations received from the Depositories, it has been decided to revise the said Annual Issuers’ charges with effect from April 01, 2009. Accordingly, the Depositories may levy and collect the charges towards custody from the issuers, on a per folio (ISIN position) basis as at the end of the financial year, as per the details given below:

Issuers to pay @ Rs.8.00 (*) per folio (ISIN position) in the respective depositories, subject to a minimum as mentioned below:

<table>
<thead>
<tr>
<th>Nominal value of admitted securities (Rs.)</th>
<th>Annual Custodial Fee payable by a Issuer to each Depository (Rs.) (*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upto 5 crore</td>
<td>6,000</td>
</tr>
<tr>
<td>Above 5 crore and upto 10 crore</td>
<td>15,000</td>
</tr>
<tr>
<td>Above 10 crore and upto 20 crore</td>
<td>30,000</td>
</tr>
<tr>
<td>Above 20 crore</td>
<td>50,000</td>
</tr>
</tbody>
</table>

* Plus service tax as applicable

The issuers would be required to pay custody charges to the Depository with whom they have established connectivity based on the total number of folios (ISIN positions) as on 31st March of the previous financial year or the minimum amount, as the case may be, by 30th April of each financial year failing which Depositories may charge penal interest subject to a maximum of 12% p.a.
3. All the Stock Exchanges are advised to:-
   
   3.1. implement the above by making necessary amendments to the bye-laws and Listing Agreement, as applicable;
   
   3.2. to bring the provisions of this circular to the notice of the listed companies/Issuers and also to put up the same on the website for easy access to the investors; and
   
   3.3. communicate to SEBI the status of the implementation of the provisions of this circular and the action taken in this regard in the Monthly Development Report.

4. The Depositories are advised to:-
   
   4.1. make amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision, as may be applicable/necessary;
   
   4.2. bring the provisions of this circular to the notice of the DPs of the Depositories and the issuers whose securities have been admitted into the depositories and also to disseminate the same on the website; and
   
   4.3. communicate to SEBI the status of the implementation of the provisions of this circular in the Monthly Development Report.

5. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, and Section 19 of the Depositories Act, 1996, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

S V MURALI DHAR RAO