



CIRCULAR

CIR/MIRSD/2/2012

February 15, 2012

All Recognized Stock Exchanges

Dear Sirs,

Subject: Investor Grievance Redressal Mechanism at Stock Exchanges.

1. Please refer to SEBI circular no. CIR/MRD/DSA/03/2012 dated January 20, 2012 and SEBI circular no. SMD/Policy/Cir-32/1997 regarding the investor service centres. At present, the stock exchanges having nationwide terminals, such as National Stock Exchange of India Ltd.(NSE) and Bombay Stock Exchange Ltd.(BSE) operating in equity as well as equity derivative segments are providing investor grievance redressal mechanism and arbitration facility (arbitration as well as appellate arbitration) at four regional centres (Delhi, Mumbai, Kolkata and Chennai).
2. With a view to increase investor confidence in the securities market and in order to make it more convenient to the investors to file their grievances and arbitration cases near to their places, SEBI has initiated steps to set-up this facility by stock exchanges at more centres after examining the data on complaints and arbitrations filed by investors from various regions. In consultation with all the major stock exchanges, it has been decided that initially:
 - i. NSE and BSE shall set up Investor grievance redressal mechanism at Ahmedabad and Hyderabad by March 31, 2012 and at Kanpur and Indore by September 30, 2012.
 - ii. NSE and BSE shall provide arbitration facility (arbitration as well as appellate arbitration) at all the above mentioned four new centers by September 30, 2012. They shall abide by all the applicable circulars issued by SEBI in this regard.
 - iii. NSE and BSE shall have adequate infrastructure and manpower, as considered appropriate, at these new centres to handle investor grievance redressal mechanism and arbitration facility effectively.
3. The Stock Exchanges are directed to:
 - a. bring the provisions of this circular to the notice of the Stock Brokers and also disseminate the same on their websites.
 - b. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision in co-ordination with one another to achieve uniformity in approach.
 - c. communicate to SEBI, the status of the implementation of the provisions of this circular in the Monthly Development Report of the following month;



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

4. This circular is 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 markets.

Yours faithfully,

A. S. Mithwani
Deputy General Manager
022-26449613
Email: aliasgarm@sebi.gov.in