

**Graded Surveillance Measure on Shortlisted companies:**

Graded Surveillance Measure securities shall be monitored for the price movement and based on the pre-determined objective criteria shall attract additional Graded Surveillance Measure:

| Stage | Surveillance Actions   |
|-------|--|
| I     | Transfer to trade for trade with price band of 5 % or lower as applicable.   |
| II    | Trade for trade with price band of 5 % or lower as applicable <b>and</b> Additional Surveillance Deposit (ASD) of 100% of trade value to be collected from Buyer |
| III   | Trading permitted once a week trading and ASD 100% of trade value to be deposited by the buyers  |
| IV    | Trading permitted once a week trading with ASD 200% of trade value to be deposited by the buyers   |
| V     | Trading permitted once a month trading with ASD 200% of trade value to be deposited by the buyers  |
| VI    | Trading permitted with no upward movement in price of the security with ASD 200% of trade value to be deposited by the buyers                                    |

**Notes: -**

1. The list of securities moving from higher stage of Graded Surveillance actions shall be informed to the market wide notice on time to time.
2. Additional Surveillance Deposit (ASD) shall be paid only in form of cash or cash equivalent and to be retained till review of the Graded Surveillance basis i.e. Quarterly review.
1. This ASD shall not be refunded or adjusted even if securities purchased is sold off at the later stage within a quarter and also shall not be considered for giving further exposure.
2. ASD shall be over and above existing margins or deposits levied by the Exchanges on transactions in such companies and shall be interest free.
3. In case of default in payment of ASD, penal actions may be initiated against the trading member.

**Review of Graded Surveillance Actions for downward calibrations:**

A periodic review of securities under GSM framework, to assess relaxation of surveillance action, if any carried out on a quarterly basis. The review shall be done based on the objective criteria and only securities under **Stage II onwards** shall be eligible for the quarterly review. For example, a company in stage III of GSA can be moved back to stage II if qualified based on the said objective criteria.