Metropolitan Stock Exchange of India Limited

Department: Market Operations - Surveillance and Risk **Segment:** Capital Market

Circular No: MSE/SURV/6334/2018 **Date :** May 18, 2018

Subject: Additional Surveillance Measure (ASM) - Update

To All Members,

This is In continuation to Exchange Circular nos. MSE/SURV/6132/2018 dated March 21, 2018 and MSE/SURV/6136/2018 dated March 23, 2018 respectively introducing Additional Surveillance Measure (ASM).

Pursuant to the review jointly conducted by SEBI and the Exchanges, further update on ASM which shall be effective from May 21, 2018 is as below:

Shortlisting of securities for placing in ASM is based on an objective criteria covering following parameters:

a. High Low Variation

b. Client Concentration

c. No. of Price Band Hits

d. Close to Close Price Variation

e. PE Ratio

The aforementioned criteria is dynamic in nature and subject to change from time to time.

The surveillance actions applicable for the shortlisted securities is as under:

a) Securities shall be placed in Price Band of 5%

b) Margins shall be levied at the rate of 100%

The securities which are placed under the ASM framework would be reviewed on bimonthly basis for the applicability of Additional Surveillance Measure.

It may be noted that ASM framework shall be in conjunction with all other prevailing surveillance measures being imposed by the Exchanges from time to time and as may be applicable.

The shortlisting of securities under ASM is purely on account of market surveillance and it should not be construed as an adverse action against the concerned company/entity.

For ready reference, list of updated securities in Additional Surveillance Measure is attached as **Annexure**.

For any clarifications kindly contact Surveillance & Risk Management Department on 022–61129060/61 or send an email to surveillance@msei.in.

For and on behalf of
Metropolitan Stock Exchange of India Limited

Shailendra Singh
Sr.Manager