

<b>Department: Investigation</b>	<b>Segment: All</b>
<b>Circular No: MSE/ID/13139/2023</b>	<b>Date: March 02, 2023</b>

**Subject: Caution towards dealing with Unsolicited Messages / Videos / any other reference-Update**

To All Members,

This is with reference to Exchange circular no. MSE/ID/12489/2022 dated October 27, 2022.

Exchanges have been receiving multiple references where messages / videos are being circulated with recommendations to deal in certain scrips. Such recommendations are being circulated to investors by unregistered or unauthorised entities inducing them to deal in these stocks. The circulation of such posts is not only detrimental to the interest of the investors but also adversely affects the integrity of the securities market.

In this regard, discussions were held in the recent meeting of SEBI with Stock Exchanges. Based on the unusual price / volume variation / trading concentration and other factors such scrips may be shortlisted for surveillance action similar to GSM Stage IV. i.e.

1. Trade for Trade with price band of 5% or lower as applicable and
2. Trading permitted once a week (Every Monday / 1<sup>st</sup> trading day of the week) and
3. ASD (100% of trade value) to be deposited by the buyers with no upward movement.

Additionally, name of the scrip will be displayed / made available on the Exchange website under head 'Attention Investors'.

It may be noted that the shortlisting of securities in above mechanism is purely on account of market surveillance, and it should not be construed as an adverse action against the concerned company.

This surveillance action will be effective with immediate effect.

Trading members are advised to monitor unusual trading pattern by any of their clients / group of clients having significant selling / trading / dealing concentration in relation to circulation of such videos / messages. Trading members are also required to educate their clients / investors by way of social media / SMS campaigns / mailers, etc. advising clients / investors to beware of unregistered Investment advisors, offering assured returns and seeking trading credentials.

Any non-compliance in the matter shall be viewed seriously and may attract further action which may inter alia include disciplinary action as deemed fit in terms of Rules, Byelaws and Regulations of the Exchange provided the facts and circumstances so demand.

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The aforesaid measure is without prejudice to the rights of SEBI and Exchanges to take any further actions, in any manner, as may be warranted.

The Exchange has also provided a facility to report unsolicited Stock Tip/Recommendation on 022-61129010 or on designated email id i.e. [investigation@msei.in](mailto:investigation@msei.in)

Market participants are advised to use facility to report any such information anonymously and confidentially.

Market participants are advised to take note of the above and exercise necessary caution.

**For and on behalf of  
Metropolitan Stock Exchange of India Limited**

**Vipul Vaishnav  
Assistant Vice President**