



Metropolitan Stock Exchange of India Limited

Department: Surveillance and Risk

Segment: Capital Market

Circular No: MSE/SURV/8266/2019

Dated : October 25, 2019

Subject: Surveillance measure in respect of companies with high promoter pledge

To All Members,

In continuation to various Surveillance measures already implemented, SEBI and Exchanges in a joint meeting have decided to levy minimum margin of 35% on the stocks (including stocks in derivatives segment) that satisfy the following criteria:

- i. Market Capitalisation is greater than Rs.1000 crores.

AND

- ii. Pledged holding of the promoter accounts for more than 25% of the total number of the issued shares of the company,

AND

- iii. Concentration of Top 25 clients in trading during the last 30 days is 30% or more,

AND

- iv. High – Low Price variation in the scrip in the last 3 months is greater than 40%.

The above surveillance measure is without prejudice to the right of SEBI and Exchanges to take any other surveillance measures, in any manner, on a case to case basis or holistically depending upon the situation and circumstances as may be warranted.

This circular is being issued by the Exchange as a surveillance measure with a view to ensure market safety & safeguard interest of investors.

The aforesaid Surveillance measure shall be implemented w.e.f. November 01, 2019. 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
Asst. Vice President**