

NOTICES

Notice No.	20180622-45	Notice Date	22 Jun 2018
Category	Trading	Segment	Equity
Subject	Additional Surveillance Measure (ASM) - Update		
Content			

This is with reference to introduction of ASM Framework on March 21, 2018 and various notices issued thereafter in this regard from time to time.

A Joint Surveillance meeting of Exchanges and SEBI was held today and it has been decided that ASM parameters along with the thresholds (including the applicable exemptions), shall be disseminated by the Stock Exchanges.

In accordance with the same, the detailed criteria for shortlisting & review of securities under ASM framework is given below.

- a) The following four criteria shall be made applicable for selection of stocks in the ASM framework.
- High low price variation (based on corporate action adjusted prices) of 200% or more in the last three months AND Concentration of top 25 clients in the last three months is 30% or more.
OR
 - High low price variation (based on corporate action adjusted prices) of 200% or more in the last three months AND number of price band hits (upper or lower) in the last three months is 30% or more.
OR
 - Close to close price variation in the last 30 trading days is 100% or more AND PE negative or more than 30 AND the concentration of top 25 clients in the last one month is 30% or more.
OR
 - Close to Close Price variation in 365 days greater than 100% AND High - Low Variation in 365 days greater than 200% AND Market Cap above Rs. 500 Crores AND High Low Variation in 90 trading days greater than 50%.

The following securities shall be excluded from the process of shortlisting of securities under ASM:

- Public Sector Enterprises and Public Sector Banks
- Securities already under Graded Surveillance Measure (GSM)
- Securities on which derivative products are available
- Securities already under Trade for Trade

- b) The applicable surveillance action on shortlisted scrips based on the above criteria shall be as follows:

Surveillance action after inclusion in ASM:

- 5% Price Band - Applicable w.e.f. date of inclusion of the securities in ASM.
- 100% Margin - Applicable w.e.f. the next trade date after the date of inclusion of securities in ASM.

Surveillance action post 1 month after inclusion in ASM:

- Scrips having PE ratio greater than 100 shall be placed in the Trade for Trade segment.

- c) Scrips in the ASM framework shall be reviewed every two months for applicability of ASM Framework.

The review will be on the following lines:

- Scrips having PE Ratio less than 10 (PE ratio is between 0 to 10) shall be moved out of ASM framework and close price shall become the base price for subsequent reviews.

- Scrips having PE ratio less than PE ratio of S&P BSE 500 Index shall be moved out of ASM framework in case such scrips does not meet entry criteria stated above.
- Scrips having PE ratio less than 2 times PE ratio of S&P BSE 500 Index shall be continue to remain in ASM, however such scrips shall be moved out of Trade for Trade segment.

Market participants may note that above Framework shall be in conjunction with all other prevailing surveillance measures being imposed by the Exchanges from time to time.

It may also be noted that the shortlisting of securities under aforesaid Framework is purely on account of market surveillance and it should not be construed as an adverse action against the concerned company/entity.

In case of any clarifications, members are requested to contact 2272 5001/ 2272 1717 /2272 5158.

For & On behalf of BSE Ltd.

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Surveillance	Surveillance

June 22, 2018