National Stock Exchange of India
Circular

Department: SURVEILLANCE	
Download Ref No: NSE/SURV/ 52368	**Date:** May 20, 2022
Circular Ref. No: 320/2022	

To All NSE Members

Sub: Surveillance Measure for securities under IBC/ICA - Update

This is in partial modification of the Exchange notice NSE/SURV/37979 dated June 08,2018 and NSE/SURV/42218 dated September 24, 2019, regarding securities under IBC /ICA.

As per the joint Surveillance meeting of Exchanges and SEBI held on May 20, 2022, the revised criteria for the above frameworks is attached as **Annexure**.

All other extant conditions and requirements under IBC/ICA frameworks shall continue to apply.

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

Further, 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.

The aforesaid revised framework shall be effective from May 23, 2022

For National Stock Exchange of India Limited

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Annexure

1. **Surveillance framework for companies under ICA**

	Shortlisting Criteria	Surveillance Action
ICA Stage I	1. Close-to-Close Price Variation greater than 25% in 5 Trading days OR 2. Close-to-Close Price Variation greater than 50% in 15 Trading days OR 3. Close-to-Close Price Variation greater than 100% in 30 Trading days OR 4. Close-to-Close Price Variation greater than 200% in 3 Months Review of the securities for inclusion under ICA Stage I shall be on Daily basis.	• (100% Margin) + (±5% Price Band) w.e.f. T+2 days. Scrips to be reviewed for exit from stage I or movement to Stage II on last trading day of the month post elapsing of minimum 1 month in ICA Stage I.
ICA Stage II	Scrips to be reviewed for inclusion under ICA Stage II on last trading day of the month post elapsing of minimum 1 month in ICA Stage I Shortlisting Criteria 1. Close-to-Close Price Variation greater than 25% in 5 Trading days OR 2. Close-to-Close Price Variation greater than 50% in 15 Trading days OR 3. Close-to-Close Price Variation greater than 100% in 30 Trading days OR	Surveillance Actions • (100% Margin) + (Gross settlement) + (±5% Price Band) w.e.f. T+2 days Scrips to be reviewed for movement to Stage I on last trading day of the month post elapsing of minimum 1 month in ICA Stage II

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	Shortlisting Criteria	Surveillance Action
	4. Close-to-Close Price Variation greater than 200% in 3 Months	

2. **Surveillance framework for companies under IBC**

	Shortlisting Criteria	Surveillance Action
	Receipt of corporate announcement / disclosure from the company	• (Gross settlement) + (price band of ±5%) + (100% margin) w.e.f. T+2 day. • For minimum period of 3 years from recommencement of trading post IBC, until non promoter holding is >=25%
IBC Stage I	• Close-to-Close Price Variation greater than 25% in 5 Trading days OR • Close-to-Close Price Variation greater than 50% in 15 Trading days OR • Close-to-Close Price Variation greater than 100% in 30 Trading days OR • Close-to-Close Price Variation greater than 200% in 3 Months Review of the securities for inclusion under IBC Stage I shall be on Daily basis.	• (Gross settlement) + (± 5 % price band) + (100% margin) w.e.f. T+2 basis • ASD (100% Trade Value) to be deposited by Buyer, retained for period as applicable to GSM scrips. • Once a week trading Scrips to be reviewed for exit from stage I or movement to Stage II on last trading day of the month post elapsing of minimum 1 month in IBC Stage I.
IBC Stage II	• Close-to-Close Price Variation greater than 25% in 5 Trading days OR	• (Gross settlement) + (± 5 % price band) + (100% margin) • ASD (100% Trade Value) to be deposited by Buyer, retained for

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	Shortlisting Criteria	Surveillance Action
	• Close-to-Close Price Variation greater than 50% in 15 Trading days OR • Close-to-Close Price Variation greater than 100% in 30 Trading days OR • Close-to-Close Price Variation greater than 200% in 3 Months Review of the securities for inclusion under IBC Stage II shall be on Monthly basis.	a period as applicable to GSM scrips. • Once a week trading. • No upward movement permitted. Scrips to be reviewed for movement to Stage I on last trading day of the month post elapsing of minimum 1 month in IBC Stage II.