



SURYALATA SPINNING MILLS LIMITED

CIN-L18100TG1983PLC003962 - GST No : 36AADCS0823M1ZA

(An ISO 9001 : 2015 Certified Company)



Date: 14th July 2023

To
The Shareholders
Suryalata Spinning Mills Limited

Re: Clarification on trading restriction of the Securities;

Ref: Enhanced Surveillance Measure (ESM) Framework Stage 2;

Scrip Code: 514138.

Dearest Shareholders,

With reference to the above cited subject, we would like to inform you that **Suryalata Spinning Mills Limited** ("the Company") has been categorized in the Enhanced Surveillance Measure (ESM) Framework Stage 2 on 13th June 2023.

In response to the distress caused among the shareholders of the Company, we would like to inform and clarify that BSE Vide its Notice No. 20230602-44 dated: 02 Jun 2023 informed that Securities Exchanges Board of India (SEBI) and the Stock Exchanges has decided to introduce Enhanced Surveillance Measure (ESM) Framework for Micro-Small Companies (on main board with market cap less than 500 crores) with effect from June 05, 2023 to improve market reliability, and enhance market integrity.

The ESM Framework is explained below in brief for your information:

- The Securities will be chosen under the ESM Framework based on high-low price variation and close-to-close price variation. The securities of Company on the basis of the criteria specified in the notice shall be selected stage wise surveillance for Enhanced Surveillance Measure Stage 1 or Stage 2.
- The Securities shall be part of the framework for a minimum period of 90 calendar days. However, in case a security is under Stage 2 of the Framework, it shall be retained under Stage 2 for a minimum period of 1 month. After completion of 1 month, in weekly stage review if such security's close to close price variation is less than 8% in a month, it can move to Stage 1 of the Framework.
- The trading for these securities will be settled through a trade-for-trade mechanism. The trading will be allowed once a week (*Every Monday or 1st trading day of the week*) with periodic call auctions.

It should be noted that the ESM Framework is a measure by SEBI and Stock Exchanges to regulate the market and ensure safety of the investors. The investors of the Company in the ESM Stages are in no way in loss or danger as this surveillance measure is one of the many measures and frameworks introduced by the regulator of the Capital Market of India and the restriction on trading shall be lifted as and when the securities fulfil the criteria specified.

It should be taken on note that there is no deviation or regulatory non-compliances in the Company and the restriction on trading of securities is a monitoring measure by SEBI and Stock Exchanges to regulate the stock market.

Thanking you

For **SURYALATA SPINNING MILLS LIMITED**

Sd/-

KHUSHBOO JAIN

Company Secretary and Compliance Officer