

Press Release Archives

August 28, 2003

NSE to introduce Futures & Options trading in CNX IT index

The Information Technology (IT) sector has been in the forefront of the Indian economy during the last few years. Many of the major Indian companies which rank high on market capitalization and investor interest are from the IT sector. The IT sector has witnessed considerable investor interest not only among domestic investors but also among foreign investors. Keeping in view the need for providing adequate risk management tools for investors who have exposure in the Indian IT stocks, the Exchange proposes to introduce trading in the futures and options contracts on the CNX IT index w.e.f. Friday, August 29, 2003.

The CNX IT index comprises of 20 securities belonging to the software and hardware industries. The index is managed by India Index Services & Products Ltd. (IISL), a joint venture between NSE and CRISIL. IISL is the first Indian company to provide professional index construction, development and management services. CNX IT index is a market capitalization weighted index. The mcap of the index covers nearly 10% of the total market capitalization of the NSE.

The salient features of the CNX IT index futures & options contracts are enclosed below :

- a) Base date of the index: January 01, 1996
- b) Base Value: 1000
- c) Composition of the Index:

Sr. No.	Company	Mcap as on August 28, 2003 (Rs. crs.)	Weightages (%)
1	CMC Ltd.	678.19	0.86
2	Digital Globalsoft Ltd.	1593.91	2.01
3	GTL Ltd.	493.78	0.62
4	HCL Infosystems Ltd.	532.73	0.67
5	HCL Technologies Ltd.	5403.86	6.82
6	Hinduja TMT	819.51	1.03
7	Hughes Software Systems Ltd.	1173.45	1.48
8	I-flex Solutions Ltd.	4554.8	5.75
9	Infosys Technologies Ltd.	25829.3	32.59
10	IGATE Global Solutions Ltd.*	689.57	0.87
11	Mastek Ltd.	336.12	0.42
12	Moser Baer India Ltd.	1367.97	1.73

13	Mphasis BFL Ltd.	1148.96	1.45
14	NIIT Ltd.	535.1	0.68
15	Polaris Software Lab Ltd.	729.53	0.92
16	Rolta India Ltd.	465.91	0.59
17	Satyam Computer Services Ltd.	7325.7	9.24
18	Tata Elxsi Ltd.	276.12	0.35
19	Visualsoft Technologies Ltd.	410.08	0.52
20	Wipro Ltd.	24882.29	31.4
	Total	79246.88	100

*IGATE Global Solutions Ltd. – Formerly known as Mascot Systems Ltd.

d) Index P/E: 20.22 (as on July 31, 2003)

e) 52 week high/low of the index: 19442.87 / 10777.64

f) Current index value: 15049.20 (close index value as on August 28, 2003)

g) Annual dividend yield of the index: 0.66

h) Lot Size for trading in the F&O segment : 20

i) Tick Size: Re.0.05

j) Contract Cycle: CNX IT index futures & options contract shall have a maximum 3-month expiration cycle. A new contract shall be introduced every month for three-month duration. All contracts will expire on the last Thursday of the respective months. If the last Thursday of the month is a holiday the contract shall expire on the previous trading day.

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Security listed and admitted to dealings

The equity shares of the following company shall be listed and admitted to dealings on the Exchange w.e.f. September 1, 2003. Trading shall be in the Normal market segment (Rolling Settlement) in compulsory demat for all investors.

Sr.No.	Name of the company	ISIN Code
1	Munjral Auto Industries Limited	INE672B01016

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Press reports regarding M/s. West Coast Paper Mills Ltd.

The press had reports on August 21, 2003 that West Coast Paper Mills Limited will offer to buy out ICICI Bank's 24% stake in Rama Newsprint and then will go for a 20% open offer.

The Exchange, in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded, had written to the officials of the company.

West Coast Paper Mills Limited has vide its letter inter-alia stated, "Please be informed that the Company is exploring possibilities of acquisitions, however nothing has materialised as yet. We will definitely inform the Stock Exchanges no sooner any proposal is materialised."

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Press reports regarding M/s. Polaris Software Lab Ltd.

The press had reports that the Citi Group may further increase stake in Polaris Software Lab Limited.

The Exchange, in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded, had written to the officials of the company.

Polaris Software Lab Limited has vide its letter inter-alia stated, "We wish to state that the said news item on Citibank increasing the stake in the Company is purely speculative, neither from the Company nor from any of its authorized representatives, and the Company is not aware of any such development."

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Press reports regarding M/s. Dabur India Ltd.

The press had reports that Dabur India Limited plans to divest its entire stake in Dabon International Pvt. Ltd., its 50:50 joint venture with the French dairy major, Bongrain SA.

The Exchange, in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded, had written to the officials of the company.

Dabur India Limited has vide its letter inter-alia stated, "We wish to state that the Board did consider this matter and had given its in principle approval to the divestment of stake in Dabon International Private Limited. The Board had authorised the select officials to negotiate the terms and submit the detailed offer to the Board for its final approval. We will inform you as and when the Board takes such decision."

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Press reports regarding M/s. Tata Infomedia Ltd.

The press had reports that ICICI Ventures has decided to acquire the Tata Group's 50.34% stake constituting 5.7 lakh shares in Tata Infomedia Limited.

The Exchange, in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded, had written to the officials of the company.

Reply is awaited from Tata Infomedia Limited.

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The Exchange has successfully completed its 879th Normal Settlement

The Exchange has successfully completed its 879th Normal Settlement (Rolling T+2 following SEBI directive) since inception i.e., Settlement Number N – 2003164 on August 28, 2003. The settlement statistics are as follows:

Particulars	Values
	N - 2003164
Total traded quantity (lakhs)	4466.74
Total traded value (Rs. In Crores)	4428.50
Total value of the settlement (Securities) (Rs. In Crores)	940.43
Total value of the settlement (Funds) (Rs. In Crores)	378.01
Shortages for the settlement	0.68%
% of Delivery (No. of shares delivered / No. of shares traded)	22.13%

Retail Debt Market has completed its 153rd settlement, details of which are as follows :

Settlement No.	Traded Value	Settlement Value	
		Securities	Funds
2003164	Rs. 23,400/-	Nil	Nil

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