

Market consultation for introduction of sectoral weight caps and surveillance related parameters imposed by stock exchanges for selection of stocks in NIFTY 50 index

May 2, 2019

This consultation may or may not lead to the implementation of any or all of the proposed changes in NIFTY indices

Background

NSE Indices Limited seeks market feedback through public consultation to

1. Consider a need to introduce sectoral weight caps in NIFTY 50 index
2. Consider introduction of surveillance related parameters imposed by the exchanges for selection of stocks in NIFTY index

Sectoral weight cap for NIFTY 50 index

Background

About NIFTY 50

- NIFTY 50 tracks performance of 50 large and liquid NSE listed stocks across 13 sectors
- Selection of these 50 stocks and index calculation is based on the free-float market capitalization
- NIFTY 50 represents ~67% of average free-float market capitalization and 53% of total turnover at NSE for six months period ending March 2019

As on the review date, selection of stocks in NIFTY 50 is made based on criteria given hereunder:

- Constituents of NIFTY 100 index that are available for trading in NSE's Futures & Options segment are eligible for inclusion in the NIFTY 50
- The stock's trading frequency should be 100% in the last six months
- The stock should have traded at an average impact cost of 0.50 % or less during the last six months for 90% of the observations for a portfolio of Rs. 10 crores
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of market capitalization and liquidity criteria
- Stocks are eligible for inclusion in NIFTY 50 index provided their average free-float market capitalization is at least 1.5 times the average free-float market capitalization of the smallest constituent in the index

Sectoral break-up for NIFTY 50 index and for all NSE listed stocks

Weights (%)	Mar-19		Mar-16		Mar-14		Jun-09	
	All NSE listed stocks	NIFTY 50	All NSE listed stocks	NIFTY 50	All NSE listed stocks	NIFTY 50	All NSE listed stocks	NIFTY 50
FINANCIAL SERVICES	31.88	37.36	25.71	30.30	23.75	25.95	20.72	21.87
ENERGY	11.77	14.59	9.95	11.71	12.21	14.35	19.13	24.78
IT	10.92	14.14	12.65	16.91	14.07	17.83	8.83	10.51
CONSUMER GOODS	13.31	11.54	12.25	10.20	13.30	12.73	9.23	8.19
AUTOMOBILE	7.10	6.90	9.20	9.68	8.30	8.86	4.67	3.88
METALS	3.58	4.09	2.86	2.79	4.62	4.83	5.18	5.45
CONSTRUCTION	4.07	3.79	4.18	3.80	4.29	4.37	7.46	7.60
PHARMA	4.82	2.58	8.15	7.44	6.71	5.74	4.42	2.48
CEMENT & CEMENT PRODUCTS	2.31	1.66	2.71	2.90	2.70	2.87	3.25	2.73
TELECOM	1.37	1.50	2.26	2.14	2.41	1.84	5.85	8.01
FERTILISERS & PESTICIDES	0.85	0.65	0.70	-	0.56	-	0.68	-
SERVICES	1.97	0.64	2.33	0.83	1.73	-	2.02	-
MEDIA & ENTERTAINMENT	0.82	0.57	1.19	0.80	1.16	-	0.97	-
INDUSTRIAL MANUFACTURING	2.82	-	3.71	0.51	2.74	0.61	5.38	4.49
CHEMICALS	1.18	-	0.83	-	0.61	-	0.61	-
TEXTILES	0.73	-	0.89	-	0.49	-	0.46	-
HEALTHCARE SERVICES	0.40	-	0.37	-	0.27	-	0.19	-
PAPER	0.09	-	0.08	-	0.08	-	0.10	-
Free Float market capitalization coverage		66%		65%		71%		65%

Based on Average FF Mcap for 6 months ending corresponding dates

- As can be observed, sectoral distribution of all NSE listed stocks has changed across years. Accordingly, sectoral distribution within NIFTY 50 index has also changed in line with broader sectoral distribution within all NSE listed stocks
- However, we have received feedback on higher weightage of certain sectors within NIFTY 50. We seek market feedback if weight caps for sectors need to be introduced in NIFTY 50 index

Feedback on introducing sectoral weight cap in NIFTY 50

Sr. No.	Description	Response	Rationale
1	In your opinion, is there a need to introduce sectoral weight cap in NIFTY 50 index?	Yes / No	
2	If your response to point 1 is 'yes', what, in your opinion, is the most appropriate sectoral weight cap for the NIFTY 50 index?	Your response	
	Options	1	
	1. 25%	2	
	2. 30%	3	
	3. 35%	4	
	4. 40%	5	
	5. Higher of 25% OR sector's weight within all NSE listed stocks	6	
	6. Higher of 30% OR sector's weight within all NSE listed stocks	7	
	7. Higher of 35% OR sector's weight within all NSE listed stocks	8	
	8. Higher of 40% OR sector's weight within all NSE listed stocks	9	
	9. Weight of the largest sector within all NSE listed stocks	10	
	10. Weight of the largest sector within all NSE listed stocks plus 25% buffer		
	(Refer page 7 for sample illustration for option 5 to option 10)		

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Please refer addendum dated May 14, 2019

Feedback on introducing sectoral weight cap in NIFTY 50

Illustrations

- For option 5: If sector weight for 'Financial services' within all NSE listed stocks is say 32%, then the weight cap for 'Financial Services' in NIFTY 50 shall be 32% (which is higher of 25% and 32%). Likewise if sector weight for 'IT' within all NSE listed stocks is say 11%, then the weight cap for 'IT' in NIFTY 50 shall be 25% (which is higher of 25% and 11%)
- For option 9: If weight for the largest sector within all NSE listed stocks (which is 'Financial services') is say 32%, then weight cap for all sector in the NIFTY 50 shall be 32%
- For option 10: If weight for the largest sector within all NSE listed stocks (which is 'Financial services') is say 32%, then the weight cap for all sectors in NIFTY 50 shall be 25% higher than 32% which is 40% (32% plus 25% of 32%)

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Please refer addendum dated May 14, 2019

Remarks

- Rationale for proposing options number 5 to 10 is that weight cap of a sector in NIFTY 50 to the corresponding sector's overall weight within all NSE listed stocks should not significantly reduce the overall exposure of that sector in the index as compared to the weight of that sector within all NSE listed stocks
- Final capped weights of the sectors to be rounded off to integer value
- Weights of sectors within NIFTY 50 index shall be realigned to the applicable cap limit on a quarterly basis
- Weights of sectors within NSE Listed stocks as applicable in option 5 to 10 to be reviewed during semi-annual reviews in February and August each year calculated based on average data for 6 month ending January and July respectively

Feedback on introducing sectoral weight cap in NIFTY 50

Pros of introducing weight cap at sector level:

- Reduction in sectoral concentration in the index leads to a more diversified index

Cons of introducing weight cap at sector level:

- Larger sectors (like Financial services) may not be appropriately represented in the index as their weight post capping can be lower than their actual weight in the 50 stock portfolio of NIFTY 50 without capping
- Broad based indices are expected to reflect the actual market performance. Introducing sectoral caps might not reflect the actual market performance
- Quarterly realigning of capping shall result in more frequent churning of portfolio
- Popular equity indices globally typically do not have sectoral weight caps

Introduction of surveillance related parameters (imposed by stock exchanges) for selection of stocks in NIFTY indices

Background

- Selection of stocks in various NIFTY indices is presently based on parameters including average free float market capitalization, liquidity, availability of stock in F&O, trading frequency etc.
- Additionally, stocks that are classified non-compliant under 'BZ' series (in accordance with SEBI circular CIR/MRD/DSA/31/2013 dated September 30, 2013) by NSE are ineligible to be included in any of NIFTY indices including NIFTY 50
- On account of certain corporate developments, high concentration and extreme volatility in few stocks being observed in past few years in equity markets, it is proposed to review the need to consider additional surveillance measures (as imposed by stock exchanges) at the time of periodic reconstitution of NIFTY indices
- Following pages (11 to 26) summarize the various surveillance & risk measures imposed by exchanges
- We seek market feedback on introduction of surveillance & risk related parameters imposed by the exchanges for selection of stocks in NIFTY indices

Surveillance & risk measures by Exchanges and their applicability to NIFTY indices

Sr no	Surveillance & risk measures	Can be applied to NIFTY 50?	Can be applied to Other Broad Based NIFTY Indices?
1	Classification of stocks in BZ category	Already applied	Already Applied
2	Shifting of securities to 'Trade for Trade' segment	No, as applicable to < 500 crs Mcap stocks	May be applicable for very few small caps (Mcap <= 500 crs)
3	Reduction in price bands	No, as applicable to only non F&O stocks	Yes, for Non F&O stocks
4	Graded Surveillance Measure (GSM) framework	No, as applicable to only < 25 crs Mcap stocks	No, as applicable to only < 25 crs Mcap stocks
5	Short Term - Additional Surveillance Measure (ASM) framework	No, as applicable to only to non F&O stocks	No, as the criteria of this framework is already covered under Long-term ASM
6	Long Term - Additional Surveillance Measure (ASM) framework	No, as applicable to only to non F&O stocks	Yes, as applicable to Non F&O stocks with Mcap > 500 cr
7	Additional margins in capital market and F&O segment	Yes, as this is applicable to all F&O stocks	Yes, for F&O stocks

Note: Details of the above measures are provided on pages 12 to 26 for reference

1) Classification of stocks in BZ category:

SEBI in its circular CIR/MRD/DSA/31/2013 dated September 30, 2013 had introduced amendment to bye-laws of recognized stock exchanges. This was with respect to non-compliance of certain listing conditions and adopting Standard Operating Procedure for suspension and revocation of trading of shares of listed entities for such non compliances. Vide this circular; SEBI has advised 4 stages of penal action against a non-compliant company as given hereunder:

- i. Imposition of fine
- ii. Shifting to BZ category (trade for trade basis) - for non-compliance in consecutive quarters
- iii. Freezing of promoter shareholding - for non-compliance in consecutive quarters
- iv. Suspension - for non-compliance in consecutive quarters
- v. For more details: [SEBI Circular](#)

2) Shifting of securities to/ from Trade for Trade segment:

The settlement of securities available in this segment is done on a trade for trade basis and no netting is allowed. Categorization of stocks into Trade for Trade category is done on a fortnightly basis and securities moving to/ from trade to trade is done on quarterly basis. Broad criteria for shifting of stocks to trade for trade segment are given below:

- i. Price Earnings Multiple (P/E)
- ii. Price variation
- iii. Market Capitalization \leq Rs. 500 crores
- iv. For more details: [NSE Website](#)

3) Reduction in price bands: (1/4)

- i. Review of price bands of stocks (other than stocks traded under F&O segment) is jointly taken up by the stock exchanges based on pre-defined criteria prescribed by SEBI
- ii. Price bands determine the range in which a security can move. To illustrate, a 10% price band implies that the security can move +/- 10% of its previous day close price on a given day. The downward revision is a daily process whereas upward revision, subject to satisfaction of criteria's, is a bi-monthly process
- iii. No price band is applicable to securities on which derivative products are available. However, Exchanges have set up a dynamic price band at 10% of the previous closing price and is flexed based on pre-determined criteria

Companies with market capitalization of over Rs. 1000 crores that attracted reduction in the price bands and number of such instances during a month are listed on pages 15 to 17 for reference

3) Reduction in price bands (2/4)

Symbols	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	Grand Total	Mcap (Rs. Cr.)
Adani Transmission Ltd.								1			1					2	22246
Indiabulls Ventures Ltd.					1											1	19114
Sundaram Finance Ltd.		1														1	16155
Edelweiss Financial Services Ltd.										2						2	15623
Graphite India Ltd.	1					1							1			3	14037
Pfizer Ltd.								1								1	13289
H.E.G. Ltd.						1				1			1			3	13214
JSW Energy Ltd.	1															1	11035
Adani Gas Ltd.											1					1	10986
Central Bank of India									1	1						2	8999
Fortis Healthcare Ltd.				1												1	8414
KRBL Ltd.						1										1	7723
V.I.P. Industries Ltd.								1								1	6599
Dilip Buildcon Ltd.						1				1					1	3	6273
DCM Shriram Ltd.					1											1	6110
Adani Green Energy Ltd.							2									2	6042
Radico Khaitan Ltd						1										1	5250
Himadri Speciality Chemical Ltd.						1										1	5190
Merck Ltd.								1								1	5104
Linde India Ltd.											1			1	1	3	4700
V-Mart Retail Ltd.							1				1					2	4488
Rain Industries Ltd					1	1						1				3	4473
Andhra Bank									1							1	4229
MMTC Ltd.			1													1	4213
Vakrangee Ltd.		2						1	1							4	4021
Excel Crop Care Ltd.	1															1	3818
Indiabulls Real Estate Ltd.										2						2	3748
Phillips Carbon Black Ltd.	1	1														2	3299
Venky's (India) Ltd.			1			1		1								3	3242
Gayatri Projects Ltd.	1															1	3204

Average market capitalization for 6 month period ending March 2019

3) Reduction in price bands (3/4)

Symbols	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	Grand Total	Mcap (Rs. Cr.)
Reliance Communications Ltd.															3	3	3018
Caplin Point Laboratories Ltd.						2										2	2982
Hathway Cable & Datacom Ltd.							1		1	1						3	2905
Indiabulls Integrated Services Ltd.														1		1	2888
Kirloskar Oil Eng Ltd.								1								1	2822
JK Paper Ltd.								2								2	2705
Gujarat Ambuja Exports Ltd.								1								1	2607
Balrampur Chini Mills Ltd.									1							1	2503
Granules India Ltd.											1					1	2414
PTC India Ltd.														1		1	2376
Bombay Dyeing & Manufacturing						1					1					2	2354
Responsive Industries Ltd.				2				1								3	2341
Mishra Dhatu Nigam Ltd.				2												2	2306
Capri Global Capital Ltd.										1						1	2246
Shree Renuka Sugars Ltd.									2							2	2200
Borosil Glass Works Ltd.									1							1	2145
Bharat Rasayan Ltd.								1								1	2082
Lakshmi Vilas Bank Ltd.															1	1	1986
Vindhya Telelinks Ltd.									1							1	1917
International Paper APPM Ltd.								1								1	1840
Reliance Home Finance Ltd.														2		2	1799
Hindustan Construction Co. Ltd.											1					1	1745
Excel Industries Ltd.						1							1			2	1709
Sequent Scientific Ltd.				1				1		1						3	1640
Tamil Nadu Newsprint & Papers Ltd.								1								1	1634
Subros Ltd.	1															1	1614
Jaiprakash Associates Ltd.															1	1	1592
SREI Infrastructure Finance Ltd.															1	1	1584
Tinplate Company of India Ltd.						1										1	1543
Prakash Industries Ltd.						1										1	1529

Average market capitalization for 6 month period ending March 2019

3) Reduction in price bands (4/4)

Symbols	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	Grand Total	Mcap (Rs. Cr.)
HIL Ltd.						1										1	1485
Kiri Industries Ltd.							1									1	1391
Den Networks Ltd.							1			1						2	1385
Bhansali Engineering Polymers Ltd.						1				1						2	1371
Jindal Worldwide Ltd.						1										1	1361
Fertilisers and Chemicals Travancoree		1														1	1308
Triveni Engineering & Industries									1							1	1273
GTL Infrastructure Ltd.			2										1			3	1242
Paisalo Digital Ltd.		1														1	1231
Jaiprakash Power Ventures Ltd.									2						1	3	1183
Dhampur Sugar Mills Ltd.									1	1						2	1166
GVK Power & Infrastructures Ltd.						1								1		2	1149
Apex Frozen Foods Ltd.						1										1	1091
Simplex Infrastructures Ltd.										1						1	1089
Action Construction Equipment Ltd.						1										1	1086
G.M. Breweries Ltd.							1									1	1081
Matrimony.Com Ltd.															1	1	1073
EIH Associated Hotels Ltd.												1				1	1061
Dredging Corporation of India Ltd.										1						1	1048
Usha Martin Ltd.						1					1					2	1048
Housing Dev. and Infra. Ltd.				1				1	1							3	1039
Manpasand Beverages Ltd.					1	1									1	3	1038
J.Kumar Infraprojects Ltd.										2						2	1016

Average market capitalization for 6 month period ending March 2019

4) Graded Surveillance Measure (GSM) framework:

Stages-wise action are taken against stocks included under GSM framework that include transfer of stocks to Trade for Trade category, reduction in price band, additional surveillance deposit, restricted trading permission etc. Broad criteria for inclusion of stocks under GSM are given below:

- i. Securities with latest available networth (share capital + reserves & surplus - debit balance in P&L) less than or equal to Rs. 10 crores
- ii. Securities with latest available net fixed assets (tangible assets + capital work in progress) less than or equal to Rs. 25 crores
- iii. Securities with PE greater than 2 times PE of NIFTY 500 or negative PE
- iv. Securities with full market capitalization less than Rs 25 crores
- v. For more details: [NSE Website](#)

5) Short Term - Additional Surveillance Measure (ASM) framework (1/2)

Stages-wise action is taken against stocks included under ASM framework that include increased margin requirement, reduction in price band, settlement on gross basis etc. Broad criteria for inclusion of stocks under ST- ASM are given below:

- i. Close to close price variation
- ii. High-Low price variation
- iii. Concentration of top 25 clients \geq 30% of combined trading volume of NSE+BSE
- iv. ASM framework does not apply to public sector undertaking (PSU), PSU Banks, securities under GSM/ F&O/ Trade for Trade
- v. For more details: [NSE Website](#)

Companies with market capitalization of over Rs. 1000 crores that form part of Short Term ASM framework on page 20 for reference

5) Short Term - Additional Surveillance Measure (ASM) framework: (2/2)

Name	Dec 18	Jan 19	Feb 19	Mar 19	Total	Mcap (Rs. Cr.)
IIFL Holdings Ltd.			✓		1	13969
Prestige Estates Projects Ltd.				✓	1	7695
Dilip Buildcon Ltd.				✓	1	6273
Arvind Fashions Ltd.				✓	1	5006
Sadbhav Engineering Ltd.				✓	1	3594
Indiabulls Integrated Services Ltd.			✓		1	2888
Swan Energy Ltd.			✓		1	2515
Tejas Networks Ltd.			✓		1	1904
Jindal Stainless Ltd.			✓		1	1871
Monnet Ispat & Energy Ltd.			✓		1	1518
Maithan Alloys Ltd.			✓		1	1402
CESC Ventures Ltd.				✓	1	1319
DPSC Ltd.			✓		1	1259
GTL Infrastructure Ltd.		✓	✓	✓	3	1242
Spencers Retail Ltd.			✓		1	1230
Satin Creditcare Network Ltd.	✓			✓	2	1208
GVK Power & Infrastructures Ltd.			✓	✓	2	1149
Matrimony.Com Ltd.				✓	1	1073
Manpasand Beverages Ltd.			✓		1	1038
J.Kumar Infraprojects Ltd.				✓	1	1016

Average market capitalization for 6 month period ending March 2019

6) Long Term - Additional Surveillance Measure framework: (1/3)

Stages-wise action is taken against stocks included under ASM framework that include increased margin requirement, reduction in price band, settlement on gross basis etc. Broad criteria for inclusion of stocks under LT- ASM are given below:

- i. High-Low price variation in 3 months
- ii. Concentration of top 25 clients \geq 30% of combined trading volume of NSE+BSE
- iii. Close to close price variation
- iv. Market capitalization $>$ Rs 500 crores
- v. Average daily volume
- vi. Average delivery %
- vii. ASM framework does not apply to public sector undertaking (PSU), PSU Banks, securities under GSM/ F&O/ Trade for Trade
- viii. For more details: [NSE Website](#)

Companies with market capitalization of over Rs. 1000 crores that formed part of Long Term ASM framework are listed on pages 22 and 23 for reference

6) Long Term - Additional Surveillance Measure framework: (2/3)

Name	M	A	M	J	J	A	S	O	N	D	J	F	M	Total	Mcap (Rs. Cr.)
Adani Transmission Ltd.						✓	✓							2	22246
Indiabulls Ventures Ltd.			✓	✓	✓	✓	✓							5	19114
Graphite India Ltd.			✓	✓	✓	✓	✓							5	14037
Pfizer Ltd.						✓								1	13289
H.E.G. Ltd.			✓	✓	✓									3	13214
V.I.P. Industries Ltd.						✓	✓							2	6599
Dilip Buildcon Ltd.			✓	✓	✓									3	6273
Adani Green Energy Ltd.						✓	✓							2	6042
Radico Khaitan Ltd			✓	✓	✓	✓	✓							5	5250
Himadri Speciality Chemical Ltd.			✓	✓	✓									3	5190
Merck Ltd.						✓	✓	✓	✓	✓				5	5104
V-Mart Retail Ltd.					✓	✓	✓							3	4488
Rain Industries Ltd			✓	✓	✓	✓	✓							5	4473
Vakrangee Ltd.	✓	✓							✓	✓				4	4021
Venky's (India) Ltd.			✓	✓	✓									3	3242
Reliance Communications Ltd.													✓	1	3018
Indiabulls Integrated Services Ltd.				✓	✓	✓	✓	✓	✓	✓				7	2888
Kirloskar Oil Eng Ltd.						✓								1	2822
JK Paper Ltd.						✓								1	2705
Gujarat Ambuja Exports Ltd.						✓	✓							2	2607
Bombay Dyeing & Manufacturing Co. Ltd.			✓	✓	✓	✓	✓							5	2354
Responsive Industries Ltd.						✓	✓							2	2341

Average market capitalization for 6 month period ending March 2019

6) Long Term - Additional Surveillance Measure (ASM) framework: 3/3)

Name	M	A	M	J	J	A	S	O	N	D	J	F	M	Total	Mcap (Rs. Cr.)
Borosil Glass Works Ltd.						✓								1	2145
Bharat Rasayan Ltd.						✓	✓							2	2082
Vindhya Telelinks Ltd.							✓							1	1917
International Paper APPM Ltd.						✓								1	1840
Excel Industries Ltd.			✓	✓	✓	✓	✓	✓	✓	✓				8	1709
Tamil Nadu Newsprint & Papers Ltd.						✓								1	1634
Tinplate Company of India Ltd.			✓	✓	✓									3	1543
Prakash Industries Ltd.				✓	✓									2	1529
Monnet Ispat & Energy Ltd.							✓							1	1518
HIL Ltd.			✓	✓	✓									3	1485
Olectra Greentech Ltd.					✓	✓	✓							3	1430
Kiri Industries Ltd.					✓	✓	✓							3	1391
Bhansali Engineering Polymers Ltd.			✓	✓	✓									3	1371
Jindal Worldwide Ltd.			✓	✓	✓	✓	✓							5	1361
GTL Infrastructure Ltd.	✓	✓	✓	✓	✓	✓	✓							7	1242
Jaiprakash Power Ventures Ltd.									✓	✓	✓			3	1183
GVK Power & Infrastructures Ltd.			✓	✓	✓	✓	✓							5	1149
Apex Frozen Foods Ltd.			✓	✓	✓	✓	✓							5	1091
Action Construction Equipment Ltd.				✓	✓	✓	✓							4	1086
G.M. Breweries Ltd.					✓	✓	✓							3	1081
Manpasand Beverages Ltd.				✓	✓	✓	✓							4	1038

Average market capitalization for 6 months ending March 2019

7) Additional margins in capital market segment: (1/3)

In line with discussion in the joint meeting between, SEBI, Exchanges and Clearing Corporations, additional margins are levied in respect of securities where derivative contracts are available. Broad criteria for the same are given below:

- i. 3 Days/1 Month: Securities with Intra-day (High-Low) price movement of more than 10% for 3 or more days in last one month shall be identified. In respect of securities identified, the minimum total margins (VAR, Extreme Loss Margin and Additional margin) is equal to the maximum intraday price movement of the security observed in last one month. The above mentioned minimum total margins are continued till expiry date of derivative contracts which falls after completion of three months (3M) from date of levy (**For more details:** [NSE Circular](#))
- ii. 10 Days/6 Month: For securities where derivative contracts are available and have an Intra-day (High-Low) price movement of more than 10% for 10 or more days in last six months; the minimum total margins (VAR, Extreme Loss Margin and Additional margin) shall be equal to the maximum intraday price movement of the security observed in last six months. The above mentioned minimum total margins shall be continued till expiry date of derivative contracts which falls after completion of one year (1Y) from date of levy (**For more details:** [NSE Circular](#))

Companies with market capitalization of over Rs. 1000 crores where additional margin was applied are listed on pages 25 and 26 for reference

7) Additional margins (3 Days/1 Month) in capital market segment: (2/3)

Symbols	Date of Inclusion	Date of Exclusion	Mcap (Rs. Cr.)
Bajaj Finance Ltd. *	16-Oct-18	01-Mar-19	145898
Indian Oil Corporation Ltd. *	16-Oct-18	01-Mar-19	135325
Motherson Sumi Systems Ltd.	14-Nov-18	01-Mar-19	49431
Zee Entertainment *	01-Feb-19	-	42757
InterGlobe Aviation Ltd.	16-Oct-18	01-Mar-19	41566
Piramal Enterprises Ltd.	16-Oct-18	01-Mar-19	41381
Hindustan Petroleum Corp. Ltd.	16-Oct-18	01-Mar-19	36025
DLF Ltd.	16-Oct-18	-	30766
Bank of Baroda	16-Oct-18	01-Feb-19	29270
L&T Finance Holdings Ltd.	16-Oct-18	01-Feb-19	27255
Mahindra & Mahindra Financial	16-Oct-18	01-Mar-19	26018
Shriram Transport Finance Co.	16-Oct-18	01-Mar-19	25945
Bharat Electronics Ltd.	16-Oct-18	01-Feb-19	21136
Cholamandalam Invt. and Fin.	16-Oct-18	01-Feb-19	19378
Canara Bank	31-Jan-19	01-Mar-19	18398
Bank of India	01-Feb-19	-	15731
Jindal Steel & Power Ltd.	16-Oct-18	01-Feb-19	15458

Average market capitalization for 6 months ending March 2019

Symbols	Date of Inclusion	Date of Exclusion	Mcap (Rs. Cr.)
Mangalore Refinery & Petro.	16-Oct-18	01-Mar-19	12776
Union Bank of India	16-Oct-18	01-Mar-19	9228
Kajaria Ceramics Ltd.	26-Oct-18	01-Mar-19	7626
Allahabad Bank	19-Nov-18	01-Mar-19	5968
NCC Ltd.	29-Oct-18	01-Mar-19	5136
IRB Infrastructure Developers	16-Oct-18	-	5000
Equitas Holdings Ltd.	16-Oct-18	01-Mar-19	4050
Kaveri Seed Company Ltd.	16-Oct-18	01-Mar-19	3387
Justdial Ltd.	16-Oct-18	01-Mar-19	3380
Jain Irrigation Systems Ltd.	16-Oct-18	-	3261
Reliance Communications Ltd.	16-Oct-18	01-Mar-19	3018
Birlasoft Ltd.	16-Oct-18	-	2751
IFCI Ltd.	16-Oct-18	01-Feb-19	2301
Hindustan Construction Co. Ltd.	16-Oct-18	01-Feb-19	1745
Jaiprakash Associates Ltd.	16-Oct-18	29-Mar-19	1592
SREI Infrastructure Finance Ltd.	16-Oct-18	01-Mar-19	1584
* presently part of NIFTY 50			

7) Additional margins (10 Days/6 Months) in capital market segment: (3/3)

Symbols	Date of Inclusion	Date of Exclusion	Mcap (Rs. Cr.)
Yes Bank Ltd. *	16-Oct-18	-	47529
Indiabulls Housing Finance Ltd. *	16-Oct-18	-	32531
Vodafone Idea Ltd.	16-Oct-18	-	30801
Adani Power Ltd.	16-Oct-18	-	17526
Adani Enterprises Ltd.	16-Oct-18	-	16265
Indian Bank	16-Oct-18	-	11413
Dish TV India Ltd.	26-Oct-18	-	7090
Reliance Infrastructure Ltd.	16-Oct-18	-	6831
Reliance Power Ltd.	06-Feb-19	-	6528
Dewan Housing Finance Corporation Ltd.	16-Oct-18	-	6134
Reliance Capital Ltd.	16-Oct-18	-	5345
Can Fin Homes Ltd.	16-Oct-18	-	3597
Justdial Ltd.	13-Mar-19	-	3380
Ujjivan Financial Services Ltd.	16-Oct-18	-	3195
Suzlon Energy Ltd.	16-Oct-18	-	2954
Infibeam Avenues Ltd.	16-Oct-18	-	2921
PC Jeweller Ltd.	16-Oct-18	-	2888
Jet Airways (India) Ltd.	16-Oct-18	-	2823
CG Power and Industrial Solutions Ltd.	30-Nov-18	-	2438
Repc Home Finance Ltd.	16-Oct-18	-	2437
* presently part of NIFTY 50			

Average market capitalization for 6 months ending March 2019

Feedback on introducing surveillance measures for selection of stocks in NIFTY indices

Sr. No.	Description	Feedback	Rationale
1	In your opinion, is there a need to introduce surveillance related parameters (imposed by stock exchanges) for selection/exclusion of stocks in/from NIFTY indices?	Yes / No	

Which of the following surveillance measures imposed by Stock Exchanges, according to you should be applicable to NIFTY indices?

Sr. No.	Surveillance Measure	Should be applied to NIFTY 50?	Rationale	Should be applied to Other Broad Based NIFTY Indices?	Rationale
1	Classification of stocks in BZ category	Already applied		Already Applied	
2	Shifting of securities to Trade for Trade segment			Yes/No	
3	Reduction in price bands			Yes/No	
4	Long Term - Additional Surveillance Measure (ASM) framework	NA		Yes/No	
5	Additional margins (10 Days/6 Months) in capital market and F&O segment	Yes/No		Yes/No	

**Page Modified –
Please refer addendum dated May 14, 2019**

Feedback from market participant is invited on the proposal contained in this paper. The feedback should reach NSE Indices latest by May 31, 2019.

[Click here to view addendum to the Market Consultation Paper released by NSE Indices on May 02, 2019](#)

NSE Indices Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051 (India).

Thank you.