

## **National Stock Exchange (NSE)**

27. The Capital Market segment of NSE started operation in November, 1994. Initially the entire turnover originated from Mumbai. Subsequently expansion programme facilitated growth of NSEs trading terminals at a steady pace. As on March 31, 1998, NSE terminals operate in 179 cities spread across 18 states. In order to bring all trading members operating from different cities on par with Mumbai-based counterparts NSE has introduced full range of inter-region clearing facilities. NSE witnessed a quantum jump in its trading turnover from Rs.68,141 crores in 1995-96 to Rs.2,94,504 crores in 1996-97 which further jumped to Rs. 3,69,932 crore in 1997-98. The NSE

launched Nifty and Midcap Indices, which constitute 50 securities each on April 22, 1996 and January 1, 1997 respectively. The Nifty securities are highly liquid securities, which account for approximately 44 per cent of the total market capitalisation of the Exchange.

28. The total turnover in respect of NSE stood at Rs. 22,276 crore in April 1997. This rose to Rs. 40,980 crore in July, 1997 but declined subsequently and stood at Rs. 30,625 crore in March, 1998. The ratio of total delivery to total turnover in April, 1997 was 17.7 per cent, which rose marginally to 17.9 per cent in August 1997 before declining to 13.7 per cent in December 1997. The ratio recovered to 17.8 per cent in March 1998.