NSE Indices Limited

(Formerly known as India Index Services & Products Limited-IISL)

Methodology Document for Equity Indices

June 2026

Table of Contents

1. Nifty 500 7
2. Nifty 100 7
3. Nifty Midcap 150 7
4. Nifty Smallcap 250 7
5. Nifty 50 7
6. Nifty Next 50 7
7. Nifty Midcap 50 8
8. Nifty Midcap 100 8
9. Nifty Midcap Select 8
10. Nifty Smallcap 50 8
11. Nifty Smallcap 100 8
12. Nifty 200 8
13. Nifty LargeMidcap 250 8
14. Nifty MidSmallcap 400 8
15. Nifty MidSmallcap400 50:50 9
16. Nifty500 Multicap 50:25:25 9
17. Nifty500 LargeMidSmall Equal-Cap Weighted 9
18. Nifty Microcap 250 28
19. Nifty Total Market 30
20. Nifty Smallcap 500 32
21. Nifty India FPI 150 34

Nifty Sectoral Indices 37

1. Nifty Auto 37
2. Nifty Bank 37
3. Nifty Chemicals 37
4. Nifty Consumer Durables 37
5. Nifty FMCG 37
6. Nifty IT 37
7. Nifty Media 38
8. Nifty Metal 38
9. Nifty Oil & Gas 38
10. Nifty Pharma 38
11. Nifty PSU Bank 38
12. Nifty Private Bank 38
13. Nifty Realty 38
14. Nifty Cement 40

15. Nifty Financial Services 42
16. Nifty Financial Services 25/50 44
17. Nifty Financial Services Ex-Bank 45
18. Nifty Healthcare 47
19. Nifty500 Healthcare 49
20. Nifty REITs & Realty 51
21. Nifty MidSmall Sector indices 52
Nifty MidSmall Financial Services 53
Nifty MidSmall Healthcare 53
Nifty MidSmall IT & Telecom 53
Nifty Thematic Indices 57
1. Nifty Capital Markets 57
2. Nifty Commodities 57
3. Nifty Core Housing 57
4. Nifty Energy 57
5. Nifty Housing 58
6. Nifty India Consumption 58
7. Nifty India Tourism 58
8. Nifty Infrastructure 58
9. Nifty MNC 59
10. Nifty PSE 59
11. Nifty Rural 59
12. Nifty Services Sector 60
13. Nifty Non-Cyclical Consumer 60
14. Nifty Mobility 60
15. Nifty India Digital 61
16. Nifty India Infrastructure & Logistics 62
17. Nifty Transportation & Logistics 62
18. Nifty Conglomerate 50 65
19. Nifty EV & New Age Automotive 68
20. Nifty India Manufacturing 73
21. Nifty India Defence 77
22. Nifty India Internet 80
23. Nifty India New Age Consumption 82
24. Nifty India Railways PSU 85
25. Nifty India Select 5 Corporate Groups (MAATR) 88
26. Nifty IPO 91
27. Nifty MidSmall India Consumption 93

28. Nifty Waves 96
29. Nifty500 Multicap India Manufacturing 50:30:20 98
30. Nifty500 Multicap Infrastructure 50:30:20 100
31. Nifty Shariah Indices 103
Nifty50 Shariah: 103
Nifty500 Shariah: 103
Nifty Shariah 25: 104
32. Nifty CPSE 109
33. Nifty100 Liquid 15 111
34. Nifty Midcap Liquid 15 113
35. Nifty ESG Indices 115
Nifty100 ESG Index 115
Nifty100 Enhanced ESG Index 115
Nifty100 ESG Sector Leaders Index 119
36. Nifty Corporate Group Indices 122
Nifty India Corporate Group Index - Aditya Birla Group 122
Nifty India Corporate Group Index - Mahindra Group 122
Nifty India Corporate Group Index - Tata Group 122
Nifty India Corporate Group Index - Tata Group 25% Cap 124
37. Nifty SME Emerge 126
38. Nifty REITs & InvITs 128
Nifty Strategy Indices 131
1. Nifty Dividend Opportunities 50 131
2. Nifty Dynamic Asset Allocation indices 134
Nifty 50 & Short Duration Debt – Dynamic P/E 134
Nifty 50 & Short Duration Debt – Dynamic P/B 134
3. Nifty Growth Sectors 15 137
4. Nifty Top 10 Equal Weight 140
5. Nifty Top 15 Equal Weight 142
6. Nifty Top 20 Equal Weight 144
7. Nifty50 Equal Weight 145
8. Nifty100 Equal Weight 148
9. Nifty500 Equal Weight 149
10. Nifty Alpha 50 151
11. Nifty High Beta 50 153
12. Nifty Low Volatility 50 155
13. Nifty100 Alpha 30 157
14. Nifty200 Alpha 30 160

15. Nifty100 Low Volatility 30 162
16. Nifty200 Momentum 30 165
17. Nifty Midcap150 Momentum 50 169
18. Nifty500 Flexicap Quality 30 173
19. Nifty500 Low Volatility 50 176
20. Nifty500 Momentum 50 179
21. Nifty500 Quality 50 183
22. Nifty500 Multifactor MQVLv 50 187
23. Nifty100 Quality 30 193
24. Nifty200 Quality 30 197
25. Nifty Midcap150 Quality 50 200
26. Nifty Smallcap250 Quality 50 203
27. Nifty Multi-Factor Indices: 208
Nifty Alpha Low-Volatility 30 208
Nifty Quality Low-Volatility 30 208
Nifty Alpha Quality Low-Volatility 30 208
Nifty Alpha Quality Value Low-Volatility 30 208
28. Nifty Total Market Momentum Quality 50 214
29. Nifty500 Multicap Momentum Quality 50 219
30. Nifty MidSmallcap400 Momentum Quality 100 225
31. Nifty Smallcap250 Momentum Quality 100 231
32. Nifty50 Value 20 237
33. Nifty200 Value 30 240
34. Nifty500 Value 50 243
35. Nifty Equity Savings 246
Nifty 50 variants: 247
1. Nifty50 USD 247
2. Nifty50 JPY 247
3. Nifty50 Dividend Points 248
4. Nifty50 PR 1x Inverse 249
5. Nifty50 PR 2x Leverage 250
6. Nifty50 TR 1x Inverse 251
7. Nifty50 TR 2x Leverage 252
8. Nifty 50 Arbitrage 253
9. Nifty 50 Futures 255
10. Nifty50 Equal Weight 257
Index Characteristics 258
Eligible basic industries for selection in sectoral and thematic indices 267

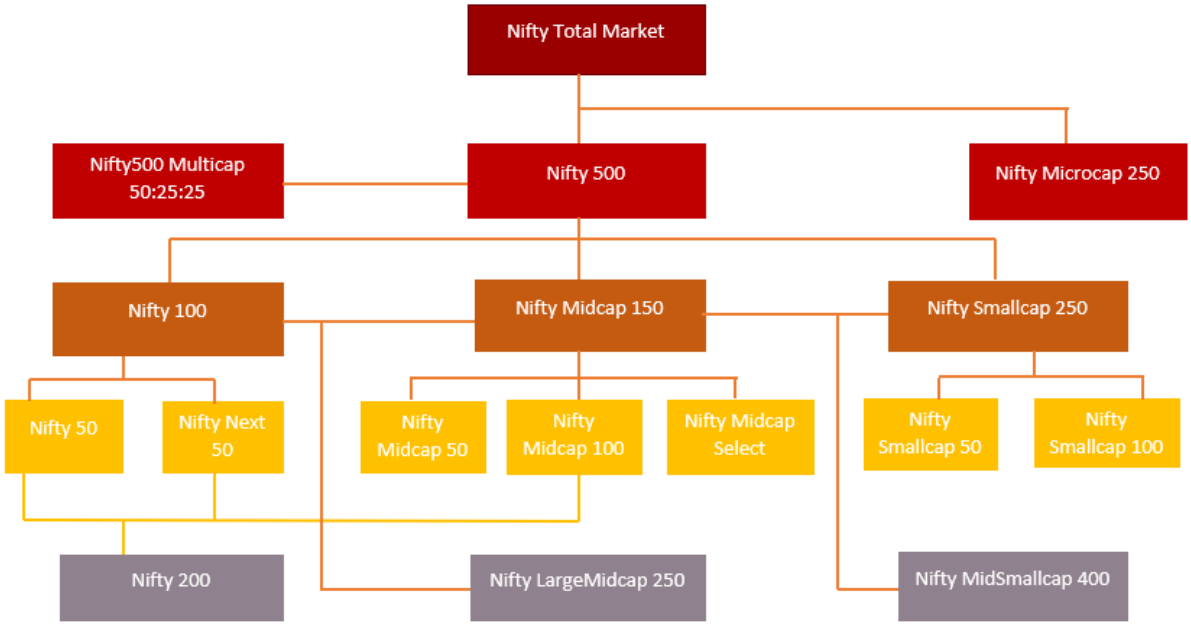
Differential Voting Rights 289
Investible Weight Factors (IWFs) 290
Foreign Investible Factor (FIF) 292
Impact Cost 294
Corporate Actions and Share Updates 297
Corporate action involving merger/ amalgamation 299
Corporate action involving demerger/ spin-off 299
Index Calculation Formula 303
Index Policy 307
Cessation of Indices Policy 310
Market Feedback & Index Methodology Review 311
IOSCO Compliance 311
Index Dissemination 312
About NSE Indices Limited 316

Nifty Broad market indices

NSE Indices Limited (formerly known as India Index Services & Products Limited-IISL), a NSE group company, was set-up in May 1998 to provide a variety of indices and index related services for the capital markets.

In order to develop, construct and maintain indices on Indian equities that serve as useful market performance benchmarks that may be useful underlying indices for investment products, NSE Indices Limited, an NSE group company has developed a series of broad equity indices introducing a structure that efficiently represents large, mid and small market capitalisation segments of the Indian capital market.

Under this structure, there are 17 broad market indices as shown below:



1. Nifty 500

Nifty 500 represents the top 500 companies based on full market capitalisation from the eligible universe.

2. Nifty 100

Nifty 100 represents top 100 companies based on full market capitalisation from Nifty 500. This index intends to measure the performance of large market capitalisation companies.

3. Nifty Midcap 150

Nifty Midcap 150 represents the next 150 companies (companies ranked 101-250) based on full market capitalisation from Nifty 500. This index intends to measure the performance of mid market capitalisation companies.

4. Nifty Smallcap 250

Nifty Smallcap 250 represents the balance 250 companies (companies ranked 251-500) from Nifty 500. This index intends to measure the performance of small market capitalisation companies.

5. Nifty 50

The index represents 50 companies selected from the universe of Nifty 100 based on free-float market capitalisation and liquid companies having average impact cost of 0.50% or less for 90% of the observations for a basket size of Rs. 10 Crores. The constituents should have derivative contracts available on NSE.

6. Nifty Next 50

It represents the balance 50 companies from Nifty 100 after excluding the Nifty 50 companies. Cumulative weight of non F&O stocks in the index is capped at 10% on a quarterly rebalance dates. Further, non F&O stocks in the index are individually capped at 4.5% on quarterly rebalance dates.

The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis on the last trading day of March, June, September and December by taking into account closing prices as on T-3 basis, where T day is last trading day of March, June, September and December.

7. Nifty Midcap 50

It includes top 50 companies selected based on 6 month average free float market capitalization from the top 100 companies selected based on both average daily full market capitalization and average daily turnover based on previous six months data from the Nifty Midcap 150 index. A preference is given to companies that are available for trading in NSE's Futures & Options segment at the time of final selection.

8. Nifty Midcap 100

It includes all companies from Nifty Midcap 50. Remaining companies are selected based on average daily turnover from Nifty Midcap 150 index.

9. Nifty Midcap Select

It includes a focused portfolio of 25 stocks within the Nifty Midcap 150 index. The stocks are selected based on market cap, average daily turnover and availability for trading on NSE's Futures & Options segment (F&O) are eligible to be the part of the index

10. Nifty Smallcap 50

It includes top 50 companies selected based on 6 month average free-float market capitalization from the top 150 companies selected based on both average daily full market capitalization and average daily turnover based on previous six months period data from the Nifty Smallcap 250 Index.

11. Nifty Smallcap 100

It includes all companies from Nifty Smallcap 50. Remaining companies are selected based on average daily turnover from top 150 companies selected based on full market capitalisation from Nifty Smallcap 250 index.

12. Nifty 200

Nifty 200 includes all companies forming part of Nifty 100 and Nifty Midcap 100 index.

13. Nifty LargeMidcap 250

It includes all companies from Nifty 100 and Nifty Midcap 150. It intends to measure performance of the large and mid-market capitalisation companies. The aggregate weight of large cap stocks and mid cap stocks is 50% each and is reset on a quarterly basis.

14. Nifty MidSmallcap 400

It includes all companies from Nifty Midcap 150 and Nifty Smallcap 250. It intends to measure performance of the mid and small market capitalisation companies.

15. Nifty MidSmallcap400 50:50

It is a capped version of the Nifty MidSmallcap 400 Index. The mid cap segment represented by stocks forming part of the Nifty Midcap 150 and the small cap segment represented by stocks forming part of the Nifty Smallcap 250 are equally weighted. The weight of each stock within the segment is based on free float market capitalization.

16. Nifty500 Multicap 50:25:25

It tracks a portfolio of large, mid and small capitalization companies with weights of 50%, 25% and 25% respectively assigned to each size segment on quarterly rebalance dates.

17. Nifty500 LargeMidSmall Equal-Cap Weighted

It tracks a portfolio of large, mid and small capitalization companies with equal weight assigned to each size segment on quarterly rebalance dates.

Broad market indices - Review and eligibility criteria

The review of broad market indices is undertaken semi-annually based on data for six months ending January and July.

To be considered for inclusion in Nifty 500 index, companies must form part of eligible universe.

The eligible universe/ minimum eligibility criteria include the following:

- The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the Nifty indices.
- Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion in the Nifty indices.
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related **criteria**
- The investible weight factor (IWF) of stock should be at least 0.10 (10% free float); OR 6 month average free float market capitalization of the stock should be at least 25% of the 6 month average full market capitalization of the existing smallest index constituent (prior to index review) by full market capitalization in Nifty 500 as of the cut-off date
- Companies must be traded for at least 90% of days during the previous six months period

- Companies must have average impact cost not greater than 1% during the previous six months period
- Eligibility criteria for newly listed security is checked based on the data for one-month period instead of a six-month period
- Companies should rank within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data

At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger capital restructuring etc. is considered eligible for inclusion in the index if company has completed one calendar month of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

The eligible universe/ minimum eligibility criteria for Nifty 100 includes the following:

- The company should be a constituent of Nifty 500

  AND
- Investible weight factor (IWF) of stock should be at least 0.10 (10% free float)

  OR
- 6 month average free float market capitalization of the stock should be at least 25% of the 6 month average full market capitalization of the of the existing smallest index constituent (prior to index review) by full market capitalization in Nifty 100 as of the cut-off date
- On a prospective basis, non - F&O stocks are eligible for inclusion only if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is less than 20% of the number of total trading days over the same period.

  *An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.

The eligible universe/ minimum eligibility criteria for Nifty Midcap 150 includes:

- The company should be a constituent of Nifty 500

AND

- Investible weight factor (IWF) of stock should be at least 0.10 (10% free float)

OR

- 6 month average free float market capitalization of the stock should be at least 25% of the 6 month average full market capitalization of the of the existing smallest index constituent (prior to index review) by full market capitalization in Nifty Midcap 150 as of the cut-off date

	Securities will be included if	***Securities will be excluded if***	**Maximum Replacements per review***
Nifty 500	• Rank based on full market capitalisation is among top 350 • Full market capitalisation is at least 1.5 times the full market capitalization of the smallest index constituent (based on full market capitalization) in Nifty 500	• Rank based on full market capitalisation or average turnover falls below 800 or any stock does not meet minimum eligibility criteria or security undergoes suspension or delisting or scheme of arrangement *	25
Nifty 100	• Rank based on average full market capitalization is among top 90: AND - stock is available for trading in NSE's Futures & Options segment (F&O) OR - such stock's Average Daily Turnover (ADT) is greater than the ADT of the 90th stock of the Nifty 100 ranked by ADT (prior to review), as on the cut-off date	• Constituents excluded from Nifty 500* • Rank based on average full market capitalization falls below 110 (i.e. beyond 110) • In case the number of compulsory inclusions exceed those of compulsory exclusions in the steps above, the replacement stocks to be excluded are identified based on below: - Within the eligible replacement pool of stocks (ranked 91 to 110 based on Average Full market capitalization) sorted based on their full market	5

	Securities will be included if	*Securities will be excluded if*	**Maximum Replacements per review***
	• Average full market capitalization is at least 1.5 times the average full market capitalization of the smallest index constituent (based on full market capitalization) in Nifty 100 as of the cut-off date: AND - stock is available for trading in NSE's Futures & Options segment (F&O) OR - such stock's Average Daily Turnover (ADT) is greater than the ADT of the 90th stock of the Nifty 100 ranked by ADT (prior to review), as on the cut-off date • In case the number of compulsory exclusions exceeds those of compulsory inclusions in the steps above, the replacements to fill up the deficit are identified based on below: - Within the eligible replacement pool of stocks (ranked 91 to 110 based on Average Full market capitalization) sorted based on their full market capitalization, companies	capitalization, the smallest companies that are not available for trading in NSE's Futures & Options segment will be first selected for exclusions • Additional stocks for exclusion, if required, will be selected from the remaining eligible replacement pool stocks based on lowest Average Daily Turnover (ADT)	

	Securities will be included if	*Securities will be excluded if*	**Maximum Replacements per review***
	that are available for trading in NSE's Futures & Options segment will be first selected based on their average full market capitalization • Additional replacement stocks, if required, will be selected from the remaining eligible replacement pool stocks (ranked 91 to 110 based on Average Full market capitalization) based on their Average Daily Turnover (ADT)		
Nifty Midcap 150	• Rank based on full market capitalisation is among top 225 • Full market capitalisation is at least 1.5 times the full market capitalization of the smallest index constituent (based on full market capitalization) in Nifty 150	• Constituents excluded from Nifty 500* • Rank based on full market capitalisation is falls below 275	15
Nifty Smallcap 250	• Constituents in Nifty 500 not forming part of Nifty 100 and Nifty 150		-
Nifty 50	• It meets the impact cost criteria and free-float market capitalisation is at least 1.5 times the free-float market capitalization of the smallest constituent in Nifty 50	• When a better security is available in the replacement pool, which meets inclusion criteria **Please refer detailed methodology separately given in this document**	5 Annually
Nifty Next 50	• Constituents in Nifty 100 not forming part of Nifty 50		-
Nifty Midcap 50	• A non-member eligible F&O stock shall be compulsorily included in the index replacing the smallest non F&O stock in the index (if any) based on	• Constituents excluded from Nifty Midcap150* • Rank based on average full market capitalisation or	5

	Securities will be included if	*Securities will be excluded if*	**Maximum Replacements per review***
	free-float market capitalization in the index • Rank of F&O stock based on 6 month average free float market capitalization is within top 30 (ranked with preference to F&O stocks) within the eligible universe of top 100 stocks based on average full market capitalization or average daily turnover (6 month average data) • Any non-member eligible F&O stock will be included in the index only if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest F&O index constituent • Any non-member eligible non - F&O stock will be included in the index if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest Non F&O index constituent	average daily turnover (6 month data) falls beyond 100 within Nifty Midcap 150*. • Rank based on 6 month average free float market capitalization falls beyond 70 (ranked with preference to F&O stocks) within eligible universe of top 100 stocks	
Nifty Midcap 100	• Constituents added in Nifty Midcap 50 which are not in Nifty Midcap 100* • Rank based on average daily turnover is among top 70 from constituents in Nifty Midcap 150	• Constituents excluded from Nifty Midcap 150* • Rank based on average daily turnover of existing constituent is below 130 among constituents in Nifty Midcap 150	10
Nifty Midcap Select	Constituents forming part of Nifty Midcap 150 selected based on market cap, average daily turnover and availability for trading on NSE's Futures & Options segment (F&O) **Please refer detailed methodology separately given in this document**		

	Securities will be included if	*Securities will be excluded if*	**Maximum Replacements per review***
Nifty Smallcap 50	• Rank based on 6 month average free-float market capitalization is within top 30 from the eligible universe of top 150 stocks based on average full market capitalization or average daily turnover (6 month average data) • Free-float market capitalization of non-member eligible stocks is at least 1.5 times of the free-float market capitalization of the smallest index constituent	• Constituents excluded from Nifty Smallcap 250* • Rank based on average full market capitalization or average daily turnover (6 month average data) falls beyond 150 within Nifty Smallcap 250* • Rank based on free float market capitalization falls beyond 70 within the eligible universe of top 150 stocks	10
Nifty Smallcap 100	• Rank based on average daily turnover is among top 70 from top 150 constituents selected based on full market capitalisation in Nifty Smallcap 250 • All constituents of Nifty Smallcap 50 not forming part of Nifty Smallcap 100*	• Constituents excluded from Nifty Smallcap 250* • Rank based on full market capitalisation falls below 180 from Nifty Smallcap 250 constituents • Rank based on full market capitalisation is among top 180 from Nifty Smallcap 250 constituents but rank based on average daily turnover falls below 130 (from top 180 constituents)	15
Nifty 200	Constituents forming part of Nifty 100 and Nifty Midcap 100		-
Nifty LargeMidcap 250	Constituents forming part of Nifty 100 and Nifty Midcap 150		-
Nifty MidSmallcap 400	Constituents forming part of Nifty Midcap 150 and Nifty Smallcap 250		-

	Securities will be included if	*Securities will be excluded if*	**Maximum Replacements per review***
Nifty MidSmallcap400 50:50	Constituents forming part of Nifty 500 **Please refer detailed methodology separately given in this document**		
Nifty500 Multicap 50:25:25	Constituents forming part of Nifty 500 **Please refer detailed methodology separately given in this document**		-
Nifty500 LargeMidSmall Equal-Cap Weighted	Constituents forming part of Nifty 500 **Please refer detailed methodology separately given in this document**		-
Nifty Microcap 250	Top 250 companies beyond Nifty 500 index constituents, selected based on their average full market capitalization **Please refer detailed methodology separately given in this document**		50
Nifty Total Market	Constituents forming part of Nifty 500 and Nifty Microcap 250 **Please refer detailed methodology separately given in this document**		-

* Limits on replacement are not applicable for exclusions on account of non-compliance of minimum eligibility criteria, exclusion of stocks from parent index and corporate events such as merger, demerger, delisting, trading suspension etc.

In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Example: Nifty 50 would be considered as a child index as constituents of Nifty 50 are selected from a list of Nifty 100 index.

Nifty 50 Index

The Nifty 50 is the flagship index on the National Stock Exchange of India Ltd. (NSE). The Index tracks the behavior of a portfolio of blue-chip companies, the largest and most liquid Indian securities. It includes 50 of the all companies listed and/ or traded on the NSE, captures approximately 66% of its float-adjusted market capitalization and is a true reflection of the Indian stock market.

The Nifty 50 covers major sectors of the Indian economy and offers investment managers exposure to the Indian market in one efficient portfolio. The Index has been trading since April 1996 and is well suited for benchmarking, index funds and index-based derivatives.

The Nifty 50 is owned and managed by NSE Indices Limited (formerly known as India Index Services & Products Limited-IISL), India's first specialized company focused on an index as a core product.

Highlights

The Nifty 50 is a 50 stock, float-adjusted market-capitalization weighted index for India. It is used for a variety of purposes, such as benchmarking fund portfolios, index-based derivatives and index funds.

The Nifty 50 is derived from economic research and is created for those interested in investing and trading in Indian equities.

Market Representation: The Nifty 50 stocks represent about 66% of the total float-adjusted market capitalization of the National Stock Exchange (NSE).

Turnover Representation: The Nifty 50 stocks represent about 54% of the total float-adjusted market capitalization of the National Stock Exchange (NSE).

Trading in derivative contracts based on Nifty 50:

The National Stock Exchange of India Limited (NSE) commenced trading in derivatives with index futures on June 12, 2000. The futures contracts on the NSE are based on the Nifty 50. The exchange introduced trading on index options based on the Nifty 50 on June 4, 2001. Additionally, exchange traded derivatives contracts linked to Nifty 50 are traded at NSE International Exchange IFSC Limited (NSE IX).

Index Computation:

The Nifty 50 is computed using a float-adjusted, market capitalization weighted methodology*, wherein the level of the index reflects the total market value of all the stocks in the index relative to a particular base period. The methodology also takes into account constituent changes in the index and corporate actions such as stock splits, rights issuance, etc., without affecting the index value.

* Beginning June 26, 2009, the Nifty 50 is being computed using float-adjusted market capitalization weighted method, wherein the level of index reflects the float-adjusted market capitalization of all stocks in the Index.

Index review and eligibility criteria

Index Review frequency:

The review of Nifty 50 is undertaken semi-annually based on data for six months ending January and July. The replacement of stocks in Nifty 50 (if any) is implemented from the last trading day of March and September. In case of any replacement in the index, a four weeks' prior notice is given to the market participants.

Additional index reconstitution may be undertaken in case any of the index constituent undergoes merger, demerger, delisting, specific cases of capital restructuring etc., in case any of the index constituent is moved to BZ series, if trading permission of any of the index constituent is withdrawn from F&O segment, if a security is suspended for trading from Capital Market for any reason and in case of any adverse regulatory findings or orders issued against any of the index constituent that necessitates removal of such stock from the index. In case of a capital restructuring or voluntary delisting, equity shareholders' approval is considered as a trigger to initiate the replacement of such stock from the index through additional index reconstitution. For all other cases, replacements will be initiated based on notifications issued by the Exchange.

Further, additional index reconstitution may be undertaken to screen to continued eligibility of an index constituent that may have undergone corporate action involving demerger in accordance with the guidelines prescribed under a separate section 'Corporate actions involving demerger/ spin-off' of this document.

Eligible Securities:

Constituents of Nifty 100 index that are available for trading in NSE's Futures & Options segment are eligible for inclusion in the Nifty 50 index. The latest composition of Nifty 100 including most recent changes whether announced or yet to be announced shall be considered eligible subject to availability of trading in NSE's Futures & Options segment in such stocks.

Differential Voting Rights:

Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related **criteria**.

Trading Frequency:

The company's trading frequency should be 100% in the last six months.

Liquidity:

For inclusion in the index, the security 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.

Impact cost is the cost of executing a transaction in a security in proportion to its index weight, measured by market capitalization at any point in time. This is the percentage mark-up suffered while buying/selling the desired quantity of a security compared to its ideal price -- (best buy + best sell)/2. Please refer section on '**Impact Cost**' within this document.

Float-Adjusted Market Capitalization:

Companies will be eligible for inclusion in Nifty 50 index provided the average free-float market capitalisation is at least 1.5 times the average free-float market capitalization of the smallest constituent in the index.

Limit on total number of changes:

As part of the semi-annual reconstitution of the index, a maximum of 10% of the number of companies in the index (i.e. five companies) may be added in a calendar year.

Where the committee considers that the number of changes at the first semi-annual rebalance might restrain the second semi-annual rebalance, it retains the right to reduce the number of constituent changes at the first review in reverse order of the free-float capitalisation. (In other words, the largest eligible company will be added and the smallest company removed, and then the next largest added and next smallest removed, and so on until the committee deems that the appropriate number of changes have been made.

At the second semi-annual rebalance, the same principle applies, however once a total of five companies have been added to the index across the two semi-annual reviews, no further additions (or deletions) will be made.

However, the limit of maximum 10% change shall not be applicable for any exclusion of a company due to it not meeting the eligibility criteria on account of factors such as non-availability of F&O, higher impact cost, lower trading frequency; scheme of arrangements such as merger, demerger, delisting, specific cases of capital restructuring etc.; shifting to BZ series; trading suspension; adverse regulatory findings or orders issued against any of the index constituent as stated earlier, etc.

Currency of Calculation

Nifty 50 is computed in five currencies namely Indian Rupee (INR), US Dollar (USD), Australian Dollar (AUD), Canadian Dollar (CAD) and Japanese Yen (JPY). Additionally, Nifty 50 Total Return and Net Total Return indices are also available in US Dollar (USD) and Japanese Yen (JPY).

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

Nifty Midcap Select

Eligibility criteria

To form part of Nifty Midcap Select Index, stocks should satisfy the following eligibility criteria.

Eligible Universe:

- Stocks forming part/going to be a part of the Nifty Midcap 150 at the time of index review
- Stocks should be available for trading on NSE's Futures & Options segment as on the review date

Stock selection criteria:

The stocks within the eligible universe are selected in the following steps:

Step 1: Top 5 stocks are selected based on their 6 month Average Full Market capitalization

Step 2: The next 20 stocks are selected in the following way:

- The remaining stocks after the step 1 are then reranked based on their 6 month Average full market capitalization and 6 month Average daily turnover
- The stocks forming part of the top 50 by 6 month Average full market capitalization and 6 month Average daily turnover are then ranked based on their 6 month Average free-float market capitalization, termed as 'reranked universe'
- Top 20 stocks are then selected based on the 6 month Average free-float market capitalization from the reranked universe

Weight and Capping:

- The stock's weight is based on the free-float market capitalization

Reconstitution & Rebalancing criteria

- Index reconstitution will be done on a semi-annual basis in March and September along with the Nifty Broad-based indices based on data for 6 months ending January and July respectively.
- Stocks forming part/ going to be a part of Nifty Midcap 150 that are available for NSE's F&O trading are eligible to be the part of the index.
- An existing stock shall be compulsorily excluded from the index if it is ineligible based on the eligibility criteria or if it does not form part of the 'reranked universe'.

- Top 5 stocks based on 6 month Average full market capitalization within the eligible universe shall be compulsorily included in the index.
- Top 10 stocks based on the 6-month Average free-float market capitalization from the 'reranked universe' are compulsorily included in the index.
- An existing stock whose rank based on 6 month Average free-float mcap within the 'reranked universe' falls beyond 30 is compulsorily excluded from the index.
- A new eligible stock within the 'reranked universe' is compulsorily included in the index if its 6 month Average free-float market capitalization is at least 1.5 times of the 6 month Average free-float market capitalization of the smallest index constituent.
- In case the total number of eligible stocks within 'reranked universe' is below 20, the deficit number of stocks will be selected from the 'reranked universe' based on top 60 stocks by Average full market capitalization and Average daily turnover instead of top 50 stocks. Further if the number of eligible stocks is still below 20, then the number of stocks in the 'reranked universe' would sequentially increase to top 70 and so on, until at least 20 eligible stocks are obtained.
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes:
    1. Any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
    2. Is no longer available for trading on NSE's F&O segment
    3. In case any of the index constituent is moved to BZ series
- Additional index reconstitution may be undertaken to screen continued eligibility of an index constituent that may have undergone corporate action involving demerger in accordance with the guidelines prescribed under a separate section 'Corporate actions involving demerger/ spin-off' of this document.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

Nifty MidSmallcap400 50:50

Stock Selection Universe:

- Stocks that form part of the Nifty MidSmallcap 400 Index also form part of the Nifty MidSmallcap400 50:50 Index at all points in time.

Weights and Capping:

- Nifty MidSmallcap400 50:50 Index shall have the following size segment weights as on quarterly rebalance dates:
    - Mid Cap Stocks (Stocks part of the Nifty Midcap 150 index) – Total weight 50%
    - Small Cap Stocks (Stocks part of the Nifty Smallcap 250 index) – Total weight 50%
- Weight of each stock within each of the two size segments will be based on its free-float market capitalization
- For capping purposes, a DVR would be classified as part of either Nifty Midcap 150 or Nifty Smallcap 250 depending on whether its parent stock is a member of the Nifty Midcap 150, or Nifty Smallcap 250 and the weight of the DVR and its parent would be derived in the following way:
    - Aggregate the free float market capitalization of the DVR security and its parent
    - The combined entity will be classified as Mid Cap or Small cap depending on whether the parent security is a member of the Nifty Midcap 150 or Nifty Smallcap 250 for capping purposes
    - The weight of the combined entity will be split into the weight of the parent security and the DVR security in the proportion of the free float market capitalization of the parent and DVR
- Weight of the stocks shall be rebalanced on a quarterly basis from the last trading day of March, June, September and December.

Reconstitution & Rebalancing Criteria:

- The index shall follow the composition of the Nifty MidSmallcap 400 Index at every point in time
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is excluded from Nifty MidSmallcap 400 Index or undergoes suspension or delisting or scheme of arrangement
- Additional index reconstitution may be undertaken to screen continued eligibility of an index constituent that may have undergone corporate action involving demerger in

accordance with guidelines prescribed under a separate section 'Corporate actions involving demerger/ spin-off' of this document.

- Further on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, and re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of applicable norms

Nifty500 Multicap 50:25:25

Stock Selection Criteria:

- Stocks that form part of the Nifty 500 index also form part of the Nifty500 Multicap 50:25:25 Index at all points in time

Weights and Capping:

- Nifty500 Multicap 50:25:25 Index shall have the following size segment weights as on quarterly rebalance dates:
    - Large Cap stocks (Stocks part of Nifty 100 index) – Total Weight 50%
    - Mid Cap stocks (Stocks part of Nifty Midcap 150 index) – Total Weight 25%
    - Small Cap stocks (Stocks part of Nifty Smallcap 250 index) – Total Weight 25%
- Weight of each stock within each of the 3 size segments will be based on its free-float market capitalization
- For capping purposes, a DVR would be classified as part of either Nifty 100, Nifty Midcap 150 or Nifty Smallcap 250 depending on whether its parent stocks is a member of Nifty 100, Nifty Midcap 150 or Nifty Smallcap 250 and the weight of the DVR and its parent stock would be derived in the following way:
    - Aggregate the Free Float Market Capitalization of the DVR security and its parent
    - The combined entity will be classified as Large cap, Mid cap or Small cap depending on whether the parent security is a member of Nifty 100, Nifty Midcap 150 or Nifty Midcap Smallcap 250 for capping purposes

- The weight of the combined entity will be split into the weight of the parent security and the DVR security in the proportion of the Free Float Market Capitalization of the parent and DVR

- Weight of the stocks shall be rebalanced on a quarterly basis from the last trading day of March, June, September and December by taking into account closing prices as on T-3 basis, where T day is last trading day of March, June, September and December

Reconstitution:

- The index will follow the composition of the Nifty 500 Index at every point in time
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is excluded from Nifty 500 index or undergoes suspension or delisting or scheme of arrangement
- Additional index reconstitution may be undertaken to screen continued eligibility of an index constituent that may have undergone corporate action involving demerger in accordance with the guidelines prescribed under a separate section 'Corporate actions involving demerger/ spin-off' of this document.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of applicable norms

Nifty500 LargeMidSmall Equal-Cap Weighted

Stock Selection Universe:

- Stocks that form part of the Nifty 500 index also form part of the Nifty500 LargeMidSmall Equal-Cap Weighted Index at all points in time

Weights and Capping:

- Nifty500 LargeMidSmall Equal-Cap Weighted Index shall have the following size segment weights as on quarterly rebalance dates:
    - Large Cap stocks (Stocks part of Nifty 100 index) – Total Weight 33.33%
    - Mid Cap stocks (Stocks part of Nifty Midcap 150 index) – Total Weight 33.33%
    - Small Cap stocks (Stocks part of Nifty Smallcap 250 index) – Total Weight 33.33%
- Weight of each stock within each of the three size segments will be based on its free-float market capitalization
- For capping purposes, a DVR would be classified as part of either Nifty 100, Nifty Midcap 150 or Nifty Smallcap 250 depending on whether its parent stocks is a member of Nifty 100, Nifty Midcap 150 or Nifty Smallcap 250 and the weight of the DVR and its parent stock would be derived in the following way:
    - Aggregate the Free Float Market Capitalization of the DVR security and its parent
    - The combined entity will be classified as Large cap, Mid cap or Small cap depending on whether the parent security is a member of Nifty 100, Nifty Midcap 150 or Nifty Midcap Smallcap 250 for capping purposes
    - The weight of the combined entity will be split into the weight of the parent security and the DVR security in the proportion of the Free Float Market Capitalization of the parent and DVR
- Weight of the stocks shall be rebalanced on a quarterly basis from the last trading day of March, June, September and December

Reconstitution & Rebalancing Criteria:

- The index will follow the composition of the Nifty 500 Index at every point in time
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is excluded from Nifty 500 index or undergoes suspension or delisting or scheme of arrangement

- Additional index reconstitution may be undertaken to screen continued eligibility of an index constituent that may have undergone corporate action involving demerger in accordance with the guidelines prescribed under a separate section 'Corporate actions involving demerger/ spin-off' of this document.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of applicable norms.

18. Nifty Microcap 250

The Nifty Microcap 250 index aims to track the performance of microcap stocks listed or permitted to trade on NSE. The index includes the top 250 companies beyond the Nifty 500 index constituents, selected based on their average full market capitalization. A stock's weight is based on its free-float market capitalization.

Eligibility criteria

To form part of Nifty Microcap 250 Index, stocks should satisfy the following eligibility criteria.

Eligible Universe:

- The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion.
- Convertible stocks, bonds, warrants, rights, and preferred stocks that provide any guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion.
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related criteria mentioned below.
- Companies must have average impact cost not greater than 1% during the previous six months period
- Companies ranked within top 1000 based on average daily turnover and on average daily full market capitalization based on previous six months period data. Post applying the impact cost filter, it is possible that the number of eligible stocks in the universe is less than 250. In case, the number of eligible stocks in the universe is less than 250, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 250 eligible stocks are obtained. If the number of eligible stocks is still less than 250, then the index may have less than 250 constituents.
- The investible weight factor (IWF) of stock should be at least 0.10 (10% free float); OR 6 month average free float market capitalization of the stock should be at least 25% of the 6

month average full market capitalization of the existing smallest index constituent (prior to index review) by full market capitalization in Nifty Microcap 250 as of the cut-off date.

- Companies traded for at least 90% of days during the previous six months period.
- Eligibility criteria for newly listed security is checked based on the data for one-month period instead of a six-month period.
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed one calendar month of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

Stock selection criteria:

Step 1: From the eligible universe, exclude stocks that form part of the Nifty 500 (or being included in the Nifty 500)

Step 2: From the above shortlisted universe, exclude stocks whose rank based on average daily full market capitalisation based on previous six months period data is within the top 350

Step 3: From the remaining eligible stocks, choose the top 250 stocks based on their average daily full market capitalisation based on previous six months period data

Reconstitution & Rebalancing criteria

- Index rebalancing will be done on a semi-annual basis and made effective from the last trading day of March and September, using 6 month ended average data for January and July respectively
- An existing stock will be compulsorily excluded if it is ineligible based on the eligibility criteria
- From the eligible universe, exclude stocks that form part of the Nifty 500 (or being included in the Nifty 500) OR stocks whose rank based on average daily full market capitalisation based on previous six months period data is within the top 350
- Stocks from the above shortlisted universe will be compulsorily included if their rank based on 6 month average full market capitalisation is within the top 675, or 6 month average full market capitalisation is at least 1.5 times the 6 month full market capitalization of the smallest index constituent (based on full market capitalization) in the Nifty Microcap 250

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from the Nifty Microcap 250 due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- On a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

Weight and Constituent Capping:

- Stock weights are determined based on their free float market capitalizations

19. Nifty Total Market

Nifty Total Market Index aims to track the performance of 750 stocks covering large, mid, small and microcap segments via a single index. Stocks that are part of Nifty 500 index and Nifty Microcap 250 index form part of the Nifty Total Market index. Stock's weight is based on its free-float market capitalization.

Stock selection criteria

- All stocks that form part of the Nifty 500 index or Nifty Microcap 250 Index also form part of the Nifty Total Market Index at all points in time

Reconstitution:

- The index will include all the stocks of Nifty 500 and Nifty Microcap 250 Indices at every point in time
- Index reconstitution will be aligned with the rebalancing of Nifty 500 and Nifty Microcap 250 Indices and will be done on a semi-annual basis and made effective from the last trading day of March and September, using 6 month ended average data for January and July respectively
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is excluded

from Nifty 500 index or Nifty Microcap 250 Index or undergoes suspension or delisting or scheme of arrangement

- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

Weight and Constituent Capping:

- Stock weights are determined based on their free float market capitalizations

Currency of Calculation

Nifty 50 is computed in five currencies namely Indian Rupee (INR), US Dollar (USD), Australian Dollar (AUD), Canadian Dollar (CAD) and Japanese Yen (JPY). Nifty Midcap 50 is computed in Indian Rupee (INR), US Dollar (USD), and Japanese Yen (JPY). Nifty 500 is computed in Indian Rupee (INR) and US Dollar (USD). All other broad market indices are computed in Indian Rupee (INR).

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

20. Nifty Smallcap 500

The Nifty Smallcap 500 index aims to track the performance of the top 500 small cap stocks selected based on full market capitalization after the Nifty Midcap 150 index. The weight of each stock in the index is based on free float market capitalization.

Eligible Universe:

- A company that is domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) is eligible for inclusion.
- Convertible stocks, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfillment of DVR related criteria
- Companies must be traded for at least 90% of days during the previous six-month period
- Companies must have average impact cost not greater than 1% during the previous six-month period
- Companies ranked within top 1000 based on average daily turnover and on average daily full market capitalization based on previous six-months period data.
- Stocks forming/going to form part of Nifty 100, Nifty Midcap 150 are not eligible for inclusion
- Companies whose rank based on average daily full market capitalization based on previous six months period data is within the top 225 are not eligible for inclusion
- The investible weight factor (IWF) of stock should be at least 0.10 (10% free float); OR 6-month average free float market capitalization of the stock should be at least 25% of the 6-month average full market capitalization of the existing smallest index constituent (prior to index review) by full market capitalization in Nifty Smallcap 500 as of the cut-off date.
- Post applying the above eligibility criteria, it is possible that the number of eligible stocks in the universe is less than 500. In case, the number of eligible stocks in the universe is less than 500, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1100, top 1200 and so on, based on both average daily turnover

and average daily full market capitalization based on previous six months period data, until at least 500 eligible stocks are obtained. If the number of eligible stocks is still less than 500, then the index may have less than 500 constituents

Stock selection criteria:

Step 1: From the above eligible universe, select stocks that form a part of the Nifty Smallcap 250 index

Step 2: Select the balance 250 stocks based on their average daily full market capitalization based on previous six months period data from the eligible universe

Reconstitution & Rebalancing criteria

- Index shall be reviewed/reconstituted on a semi-annual basis in March and September based on six-month ended average data for January and July respectively
- An existing stock will be compulsorily excluded if it is ineligible based on eligibility criteria
- Re- rank the eligible universe based on average daily full market capitalization based on previous six months period data
- A stock forming/going to form part of the Nifty Smallcap 250 index shall be compulsorily included in the index
- Stocks ranked within top 350 of the re-ranked eligible universe as mentioned above, shall be compulsorily included in the index
- A stock from the above re-ranked eligible universe will be compulsorily included in index if its 6-month average full market capitalization is 1.5 times the 6-month average full market capitalization of the smallest index constituent
- An existing index constituent ranked below 650 in the re-ranked eligible universe shall be compulsorily excluded from the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution of the index shall be initiated in case any of the index constituents undergoes any corporate action (scheme of arrangement, delisting, etc.) or suspension by the exchange
- On a quarterly basis, indices will be screened for compliance with the SEBI portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In

case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms.

Weight and Constituent Capping:

- Stock weights are determined based on their free float market capitalizations

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

21. Nifty India FPI 150

Nifty India FPI 150 Index aims to track the performance of top 150 stocks selected from Nifty 500 that ensure accessibility and investibility for foreign investors in India. The top 150 stocks are selected based on six-month average foreign investible free-float market capitalization, covering the most liquid and high free-float stocks. Weight of each stock in the index is based on its foreign investible free-float market capitalization.

Universe:

- Stocks forming part / going to be a part of the Nifty 500 at the time of review

Eligible Universe:

- Each stock within the universe is eligible to be part of the index subject to each of the following:
    - Stocks should be ranked within top 350 based on 6-month average daily turnover and 6-month average free-float market capitalization and 6-month average full market capitalization (in all 3) within the universe
    - Stocks which are not available for trading on NSE's Futures & Options segment shall be eligible only if the rank of such stock is within top 150 by 6- month average daily turnover within the universe

- Stocks with foreign investible factor (FIF) lower than 0.10 shall be eligible only if the rank of such stock is within top 100 based on 6- month average Foreign Investible Free-Float Market Capitalization within the universe
- Stocks forming part of the 'Red flag' and 'Breach list' as per the CDSL and NSDL FPI Monitoring disclosure are excluded from the index
- Stocks with foreign room lower than 0.10 shall be excluded. (refer annexure 2 for the calculation of the foreign room)

Stock selection criteria:

- From the above eligible universe top 150 stocks based on six-month average foreign investible free-float market capitalization are selected to be a part of the index

Stock weighing methodology:

- Weight of the stock in the index is based on its foreign investible free-float market capitalization

Index Rebalancing and Reconstitution:

- The index shall be reviewed/reconstituted on a quarterly basis in March, June, September and December based on six-month average data ended January, April, July and October respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of review of the Nifty India FPI 150 index
- Eligible stocks within the universe that are not part of the index shall be included if its foreign-investible free-float market capitalization is at least 1.25 times the foreign investible free-float market capitalization of the smallest index constituent replacing such smallest index constituent
- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is:
  - Included in the 'Red Flag' or 'Breach list' as per the CDSL and NSDL FPI Monitoring disclosure
  - Removed from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019 and eligibility criteria for the indices which are traded on Futures & Options segment of stock exchanges as specified by SEBI in Clause 1.1.2 of Chapter 5 of SEBI Master Circular for

Stock Exchanges and Clearing Corporations dated December 30, 2024 and circular for 'Measures for Enhancing Trading Convenience and Strengthening Risk Monitoring in Equity Derivatives' dated May 29th 2025 and as amended/modified from time to time. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**
- Foreign Investible Factor: **Click here**

Nifty Sectoral Indices

NSE Indices has developed a series of sectoral indices that represent the collective performance of stocks in respective sectoral index. All sectoral indices are capped as per the details provided under 'Index characteristics' on subsequent pages.

A comprehensive list of basic industries eligible to be included in these indices can be accessed in a separate section in this document {Click Here}.

1. **Nifty Auto**: The index is designed to reflect the behaviour and performance of the Automobiles sector which includes manufacturers of cars & motorcycles, heavy vehicles, auto ancillaries, tyres, etc. The index comprises of maximum of 15 stocks and base date of the index is January 1, 2004.
2. **Nifty Bank**: The index is designed to reflect the behaviour and performance of the large and liquid banks. The index comprises of maximum of 14 stocks and base date of the index is January 1, 2000.
3. **Nifty Chemicals**: The index is designed to reflect the behaviour and performance of stocks belonging to the Chemicals sector. The index comprises of a maximum of 20 stocks. The base date of the index is April 01, 2005 and the base value is 1000.
4. **Nifty Consumer Durables**: The index aims to reflect the performance of stocks belonging to Consumer Durables industry. The index comprises of maximum of 15 stocks and base date of the index is April 1, 2005 and a base value of 1000 points
5. **Nifty FMCG**: The index is designed to reflect the behaviour and performance of Fast Moving Consumer Goods (FMCG). They are those goods and products, which are non-durable, mass consumption products and available off the shelf. The index comprises of maximum of 15 companies.
6. **Nifty IT**: The index is designed to reflect the behaviour of companies engaged into activities such as software development, hardware, IT infrastructure etc. The index comprised of 10 companies. The base value of the index was revised from 1000 to 100 with effect from May 28, 2004.

7. **Nifty Media**: The Nifty Media Index is designed to reflect the behavior and performance of sectors such as advertising, media & entertainment, printing and publishing etc. The index comprises of maximum of 15 companies.

8. **Nifty Metal**: The Nifty Metal Index is designed to reflect the behavior and performance of the metals sector. The index comprises of maximum of 15 stocks.

9. **Nifty Oil & Gas**: The index aims to reflect the performance of stocks belonging to industries such as oil, gas and petroleum products etc. The index comprises of maximum of 15 stocks and base date of the index is April 1, 2005 and a base value of 1000 points.

10. **Nifty Pharma**: The Nifty Pharma Index is designed to reflect the behavior and performance of the companies that are engaged into manufacturing of pharmaceuticals and biotechnology companies. Effective September 30, 2021, the index comprises of maximum of 20 stocks.

11. **Nifty PSU Bank**: The Nifty PSU Bank Index is designed to reflect the behavior and performance of the public sector banks. Effective December 27, 2019, all Public Sector Banks that are traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the index subject to fulfilment of other inclusion criteria namely one-month listing history and 90% trading frequency. The base date of the index is January 1, 2004 and base value of 1000 points.

12. **Nifty Private Bank**: The Nifty Private Bank Index is designed to reflect the behavior and performance of the banks from private sector. The index comprises of 10 stocks and weights of each company in the index were capped at 25% (until March 29, 2019).

13. **Nifty Realty**: The Nifty Realty Index is designed to reflect the behavior and performance of the companies that are engaged into construction of residential & commercial real estate properties. The index comprises of maximum of 10 stocks.

Index review and eligibility criteria

Index Review frequency:

The review of sectoral indices is undertaken semi-annually based on data for six months ending January and July.

Eligibility Criteria

To be considered for inclusion in Nifty sectoral indices, companies must form part of eligible universe. The eligible universe includes:

- Companies should form part of Nifty 500 at the time of review
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Example: Nifty Auto would be considered as a child index as constituents of Nifty Auto are selected from a list of Nifty 500 index
- Minimum number of stocks within the index should be 10
- In case, the number of eligible stocks within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data used for index rebalancing of Nifty 500, provided company meets the eligibility criteria of having minimum listing history of 1 calendar month and 90% trading frequency as the data cut-off date
- Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Companies should form part of respective sector universe
- For all the Nifty sectoral indices, a preference shall be given to companies that are available for trading in NSE's Futures & Options segment at the time of final selection

- In case of Nifty Financial Services, a preference within each subsector shall be given to companies that are available for trading in NSE's Futures & Options segment
- On a prospective basis, Non - F&O stocks are eligible for inclusion only if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is less than 20% of the number of total trading days over the same period

**An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances*

- The companies are sorted in the descending order of the average free-float market capitalization (FF market capitalization) and final selection of companies shall be made based on the FF market capitalization to form part of the index
- Companies will be included if free-float market capitalisation is at least 1.5 times the free-float market capitalization of the smallest index constituent in respective index

Constituent Weights and Capping

- In the case of Nifty Bank index, the weight of top 3 stocks is capped at 19%, 14% and 10% respectively. The weight of stocks other than the top 3 will be lower than those of higher weighted index constituents. Cumulative weight of non F&O stocks in the index is capped at 10%. Further, non F&O stocks in the index are individually capped at 4.5%.
- In the case of Nifty Private Bank index, the weight of each stock is capped at 23%
- For all other sectoral indices, the weight of each stock is capped at 33% and the weight of top 3 stocks is capped at 62%

14. Nifty Cement

The index aims to track the performance of stocks from the Nifty Total Market Index belonging to the 'Cement & Cement products' basic industry. A maximum of 20 stocks are selected based on 6-month average free float market capitalization from the Nifty Total Market. Stocks available for trading in the derivatives segment at NSE are selected first, followed by non-F&O stocks if required, to complete the selection. The weight of each stock in the index is based on its free-float market capitalization subject to a cap of 15%.

Universe:

- Stocks forming part/going to form part of Nifty Total Market at the time of review

Eligible Universe:

- Stocks forming part of the 'Cement & Cement products' basic industry within the Nifty Total Market are eligible to be included in the index. The list of such basic industries may be updated from time to time.
- A non-member stock which is not available for trading in F&O segment within the universe is ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

  **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances*.

Stock selection criteria:

- Step 1: Select top 20 stocks based on 6-month average free-float market capitalization within the eligible stocks that are available for trading in NSE's Futures & Options (F&O) segment
- Step 2: In case the number of stocks selected in the Step 1 above is less than 20, then the deficit number of stocks is selected based on six-month average free-float market capitalization from the remaining eligible universe

Weights and Capping:

- Weights of each stock in this index will be calculated based on its free-float market capitalization such that the weight of no single stock shall be more than 15%
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September based on previous six months period data ended January and July respectively
- Stocks that moved out of the Nifty Total Market Index shall also move out of the index at the time of review of the Nifty Cement Index
- Stocks that are available for trading in F&O segment are compulsorily included in the index and will replace the smallest index constituents which are not available for trading in F&O segment subject to maximum of 20 stocks in the index

- In case all the stocks within the index are available for trading in the F&O segment, a non-member eligible stock available for trading in the F&O segment shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent.
- Stocks which are not available for trading in F&O segment will be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituents which are not available for trading in F&O segment
- Minimum no. of stocks within the index should be 10
- In case, the number of eligible stocks within Nifty Total Market falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 1000 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty Total Market.
- Further, in case, the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1100, top 1200, and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents gets excluded from Nifty Total Market or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

15. Nifty Financial Services:

The index is designed to reflect the behaviour and performance of the Indian financial market namely 1) Banking, 2) Financial Institutions, 3) Housing Finance, 4) NBFC, 5) Insurance and 6) Other Financial Services companies. Other Financial Services currently comprises all companies

in financial services sector excluding companies in banking, financial institutions, housing finance, insurance and NBFCs.

A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}.

The index comprises of maximum of 20 stocks. Detailed methodology for selection of stocks in this index along with other variant Nifty Financial Services 25/50 is given hereunder.

Eligible universe:
Nifty 500 constituents representing Financial Services are considered eligible for inclusion in the index. In case, the number of eligible stocks representing a particular sector within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data used for index rebalancing of Nifty 500. In case, the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents.

Stock Selection criteria:
Selection of the stocks shall be done in 2 steps:

Step 1: Within eligible universe, calculate the weights of each subsector based on average free float market capitalization

Step 2: The companies within each subsector are sorted in the descending order of the average free-float market capitalization and final selection of companies shall be made based on the higher average free-float market capitalization to form part of the index.

Step 3: Companies will be included if average free-float market capitalisation is at least 1.5 times the average free-float market capitalization of the smallest index constituent.

In order to provide meaningful representation of various sub-sectors in the index, replacement may also be made across different subsectors provided average free-float market capitalisation of a stock being included is at least 1.5 times the average free-float market capitalization of the smallest index constituent in the index.

Step 4: Select companies from each sub-sector in such a manner that weightage of selected constituents in a subsector closely matches with weightage of the subsector as determined in step 1. A preference within each sub-sector is given to companies that are available for trading in NSE's Futures & Options segment.

As the index comprise maximum of 20 stocks, it may be possible that weightage of certain sub-sector may not closely match with that of eligible universe.

Constituent capping:

- Weights of each stock in these indices will be calculated based on its free-float market capitalization.
- The top 3 stock weights are capped at 19%, 14% and 10% respectively.
- The weight of stocks other than the top 3 will be lower than those of higher weighted index constituents.
- Cumulative weight of non F&O stocks in the index is capped at 10%. Further, non F&O stocks in the index are individually capped at 4.5%.
- This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than maximum capping limits as stated above. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis on the last trading day of March, June, September and December by taking into account closing prices as on T-3 basis, where T day is last trading day of March, June, September and December.
- In the event of weight realignment, capping factors will be calculated for all constituents (for capped indices) whose uncapped weight is greater than maximum capping limits as stated above. Weightage of such constituent may increase beyond maximum capping limit between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes for all constituents.

16. Nifty Financial Services 25/50:

Nifty Financial Services 25/50 is a capped version of Nifty Financial Services index, where 25 refers to the maximum value for the % weight of a single stock and 50 refers to maximum value for the aggregate % weight for all stocks with individual weight more than 5%.

Stock Selection criteria

- Stocks that form part of Nifty Financial Services index also form part of this index at all points in time

Constituent Weights and Capping:

- Weight of stocks within this index are capped to achieve the following:
    - Weight of the individual stock should not exceed 25%

- Aggregate weight of all the stocks with individual weight above 5% should not exceed 50%

- A buffer of 10% of the value of each cap limit is used in order to reduce the probability of passive breach of above mentioned capping limits due to stock price movements between two quarterly rebalancing.
- Accordingly, at the time of quarterly rebalancing of Nifty Financial Services 25/50 Index,
  - Weight of each stock is capped at 22.5%
  - Sum of the top 3 stocks is capped at 45% subject to individual stock floored at 4.6%
  - Stocks below top 3 are individually capped at 4.5%#
- Capping will be done quarterly, considering the closing prices of the index constituents as on T-3 trading days prior to the effective date (T day). As a result of which the weight of the index constituents may be greater than their capping limits as on the effective date.

Reconstitution

- The index will follow the composition of Nifty Financial Services Index at every point in time.
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement

17. Nifty Financial Services Ex-Bank:

The index is designed to reflect the behaviour and performance of portfolio of stocks from the Financial Services sector other than Banks. The largest 30 stocks from eligible basic industries are chosen based on 6 month average free-float market capitalisation. Index stock weights are based on their free-float market capitalization.

Eligible universe:

- Stocks forming part/going to form part of Nifty 500 index are considered as eligible universe for stock selection.
- Minimum number of stocks within the index should be 10
- In case, the number of eligible stocks representing a particular sector within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data used for index rebalancing of Nifty

500. In case, the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}.

Stock selection criteria:

Select the largest 30 stocks from the Eligible universe based on their average daily free-float market capitalization based on previous six months period data

Weight methodology:

The weight of the stocks within the index are based on their free-float market capitalization. Weight of index constituents are capped at below levels quarterly in March, June, September and December.

- Weight of each stock in the index is capped at 25%
- Aggregate weight of top 3 stocks is capped at 62%
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Reconstitution

- Index rebalancing will be done on a semi-annual basis and made effective from the last trading day of March and September (similar to Nifty Broad-based indices), using 6 month ended average data for January and July respectively
- Existing index constituents that do not form part of the eligible universe are excluded from the index
- Non- member eligible companies will be included if free-float market capitalisation is at least 1.5 times the free-float market capitalization of the smallest index constituent in respective index

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

18. Nifty Healthcare

The index is designed to reflect the behaviour and performance of Healthcare companies. The index comprises of maximum of 20 companies and base date of the index is April 1, 2005 and a base value of 1000 points.

Eligibility Criteria:

To form part of the Nifty Healthcare index, stocks should satisfy the following eligibility criteria.

Stock Selection Universe:

- Stocks forming part / going to be a part of the Nifty 500 index at the time of review
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}

Stock Selection criteria:

Selection of the stocks shall be done in 2 steps:

Step 1: Top 20 stocks based on six-month average free-float market capitalization that are available for trading in NSE's Futures & Options (F&O) segment at the time of review are selected to be the part of the index

Step 2: In case the number of stocks selected in the Step 1 above is less than 20, then the deficit number of stocks is selected based on six-month average free-float market capitalization

Weights and Capping:

- Weights of each stock in these indices will be calculated based on its free-float market capitalization such that no single stock shall be more than 33% and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing

- Weight of the stocks shall be rebalanced on a quarterly basis from the last trading day of March, June, September and December

Reconstitution:

- Index rebalancing will be done on a semi-annual basis and made effective from the last trading day of March and September
- Stocks that move out of the Nifty 500 shall also move out of the Nifty Healthcare Index at the time of the review of the Nifty Healthcare index
- Stocks that are available for trading in F&O segment are compulsorily included in the index and will replace the smallest index constituents which are not available for trading in F&O segment subject to maximum of 20 stocks in the index
- In case all the stocks within the index are available for trading in F&O segment and the non-member eligible stock which is also available for trading in F&O segment, such stock will be included in the index only if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent
- Stocks which are not available for trading in F&O segment will be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituents which are not available for trading in F&O segment
- In case, the number of eligible stocks within Nifty 500 is less than 20, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty 500
- In case, the number of eligible stocks representing a particular sector within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data used for index rebalancing of Nifty 500. In case, the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents gets excluded from Nifty 500 or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**

- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

19. Nifty500 Healthcare

The index aims to track the performance of stocks from the Nifty 500 Index which represent Healthcare sector. The largest 50 stocks from eligible basic industries are selected based on a 6-month average free float market capitalization from the Nifty 500. Stocks available for trading in the derivatives segment at NSE are selected first, followed by non-F&O stocks if required, to complete the selection. The weight of each stock in the index is based on its free-float market capitalization subject to a cap of 10%.

Universe:

- Stocks forming part/going to form part of Nifty 500 at the time of review

Eligible Universe:

- Stocks forming part of the basic industries {Click Here} that represent the Healthcare sector within the Nifty 500 are eligible to be included in the index. The list of such basic industries may be updated from time to time.
- A non-member stock which is not available for trading in F&O segment within the universe is ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

  **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*

Stock selection criteria:

- Step 1: Select top 50 stocks based on 6-month average free-float market capitalization within the eligible stocks that are available for trading in NSE's Futures & Options (F&O) segment
- Step 2: In case the number of stocks selected in the Step 1 above is less than 50, then the deficit number of stocks is selected based on six-month average free-float market capitalization from the remaining eligible universe

Weights and Capping:

- Weights of each stock in this index will be calculated based on its free-float market capitalization such that the weight of no single stock shall be more than 10%
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September based on previous six months period data ended January and July respectively
- Stocks that moved out of the Nifty 500 Index shall also move out of the index at the time of review of the Nifty500 Healthcare Index
- Stocks that are available for trading in F&O segment are compulsorily included in the index and will replace the smallest index constituents which are not available for trading in F&O segment subject to maximum of 50 stocks in the index
- In case all the stocks within the index are available for trading in the F&O segment, a non-member eligible stock available for trading in the F&O segment shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent.
- Stocks which are not available for trading in F&O segment will be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituents which are not available for trading in F&O segment
- Minimum no. of stocks within the index should be 10
- In case, the number of eligible stocks within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty 500.
- Further, in case, the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents gets excluded from Nifty 500 or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

20. Nifty REITs & Realty

The Nifty REITs & Realty Index aims to track the performance of 15 securities comprising of publicly listed REITs and stocks belonging to the 'Realty' sector. The weight of each security in the index is based on free float market capitalization subject to a cap of 15%.

Universe:

- All equity stocks and REITs domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the index

Eligibility criteria for REITs:

- REITs should have a minimum listing history of one month as on the cut-off date
- REITs should have a minimum trading frequency of 90% in the previous six months as on the cut-off date

Eligibility criteria for equity stocks:

- Stocks should have a minimum listing history of one year as on the cut-off date
- Stocks should rank within top 1000 based on 6-month average full market capitalization and 6-month average daily turnover
- Stocks should form a part of the 'Realty' sector
- Top 10 percentile stocks based on annualized standard deviation within the universe arrived after the step above are ineligible for inclusion in the index

Stock selection criteria:

- Step 1: Select the top 15 REITs based on 6-month average free float market capitalization from the eligible universe
- Step 2: In case the number of REITs selected in the Step 1 above is less than 15, then the deficit number of securities is selected based on six-month average free-float market capitalization from the remaining eligible universe (i.e., eligible stocks from the 'Realty' sector)

Weights and Capping:

- Weights of each security in this index will be calculated based on its free-float market capitalization
- The minimum aggregate weight of all REITs shall be 60%
- The maximum weight of each stock and REIT shall be 15%
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution:

- The index shall be reviewed/reconstituted on a quarterly basis in March, June, September and December based on previous six months period data ended February, May, August and November respectively
- Eligible REITs shall be compulsorily included in the index and will replace the smallest equity stock based on 6-month average free float market capitalization subject to a maximum of 15 securities in the index
- In case all the securities within the index are REITs, a non-member eligible REIT shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent
- A non-member eligible equity stock shall be included if its free float market capitalization is at least 1.5 times the free float market capitalization of the smallest equity stock in the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

21. Nifty MidSmall Sector indices

NSE indices has developed a series of sectoral indices that tracks the performance of the midcap and small cap stocks from their respective sectors. All sectoral indices are capped as per the details provided under 'Index characteristics' on subsequent pages.

A comprehensive list of basic industries eligible to be included in these indices can be accessed in a separate section in this document {Click Here}.

Nifty MidSmall Financial Services

The Nifty MidSmall Financial Services index tracks the performance of the mid cap and small cap stocks belonging to the financial services sector. The index includes upto 30 stocks base date of the index is April 1, 2005 and a base value of 1000 points.

Nifty MidSmall Healthcare

The Nifty MidSmall Healthcare index tracks the performance of the mid cap and small cap stocks belonging to the healthcare sector. The index includes upto 30 stocks base date of the index is April 1, 2005 and a base value of 1000 points.

Nifty MidSmall IT & Telecom

The Nifty MidSmall IT & Telecom index tracks the performance of the mid cap and small cap stocks belonging to the information technology and telecommunication sector. The index includes upto 20 stocks base date of the index is April 1, 2005 and a base value of 1000 points.

Index review and eligibility criteria

Index Review frequency:

The review of sectoral indices is undertaken semi-annually based on data for six months ending January and July.

Eligibility criteria

To form part of Nifty MidSmall Sector Indices, stocks should qualify the following eligibility criteria:

Eligible Universe:

- Stocks forming part / going to be a part the Nifty MidSmallcap 400 index at the time of review subject to the following:

- Non - F&O stocks within Nifty MidSmallcap 400 are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

*An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.

Stock Selection criteria:

- Stocks within the eligible sector universe are sorted in the descending order of their 6-month average Free-Float Market capitalization
- Based on the above free-float market capitalization order within the sector universe, 30 stocks in Nifty MidSmall Financial Services index, 30 stocks in Nifty MidSmall Healthcare index and 20 stocks in Nifty MidSmall IT & Telecom index are selected to be part of the index (subject to availability)
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The list of basic industries identified so far may evolve and hence change in future due to market dynamics.

Constituent Weights and Capping:

- Weights of each stock in these indices shall be calculated based on its free-float market capitalization
- Stock weights shall be capped at 33% each and the aggregate weight of top 3 stocks shall be capped at 62% at the time of index rebalancing.
- Capping of the indices shall be done on a quarterly basis on the last trading day of March, June, September and December.

Reconstitution

- The indices shall be reconstituted on a semi-annual basis along with the parent index Nifty MidSmallcap 400 in the month of March and September
- The replacements shall be implemented from the last trading day of March and September
- Eligible stocks within the sector universe that are already not part of the index shall be included if free-float market capitalization is at least 1.5 times the free-float market

capitalization of the smallest index constituent in respective index replacing such smallest index constituent

- In case, the number of eligible stocks within the Nifty MidSmallcap 400 falls below 30 for Nifty MidSmall Financial Services and Nifty MidSmall Healthcare and 20 for Nifty MidSmall IT & Telecom index, the index shall continue with the available number of stocks within the eligible sector universe
- In case, the number of eligible stocks within Nifty MidSmallcap 400 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty MidSmallcap 400, provided company meets the eligibility criteria of having minimum listing history of 1 calendar month, 90% trading frequency, not hitting the circuit filter more than or equal to 20% of the trading days in past 6 months as on the data cut-off date and are not forming part of Nifty 100 as on effective date
- Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the indices shall be initiated in case any of the index constituents is excluded from Nifty MidSmallcap 400 index or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of noncompliance to ensure the compliance of applicable norms

Nifty Thematic Indices

NSE Indices has developed a series of thematic indices that represent the collective performance of stocks in respective theme of the index. These thematic indices are capped as per the details provided under 'Index characteristics' on subsequent pages.

1. **Nifty Capital Markets**: The index is designed to reflect the behaviour and performance of a diversified portfolio of companies representing the capital market theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 20 stocks. Weights of constituents of Nifty Capital Markets are capped at 20% (maximum capping limit).

2. **Nifty Commodities**: The index is designed to reflect the behaviour and performance of a diversified portfolio of companies representing the commodities segment which includes sectors like Oil, Petroleum Products, Cement, Power, Chemical, Sugar, Metals and Mining etc. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 30 stocks. Weights of constituents of Nifty Commodities are capped at 10% (maximum capping limit).

3. **Nifty Core Housing**: The index is designed to reflect the behaviour and performance of portfolio of stocks that represent the core housing theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 30 stocks. Weights of constituents of Nifty Core Housing are capped at 15% (maximum capping limit).

4. **Nifty Energy**: The index is designed to reflect the behaviour and performance of companies that represents sectors such as petroleum, gas and power etc. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 40 stocks.

Weights of each stock in Nifty Energy index are calculated based on its free-float market capitalization such that no single stock shall be more than 10% and weightage of any industry shall not be more than 25% at the time of rebalancing.

5. **Nifty Housing:** The index is designed to reflect the behaviour and performance of portfolio of stocks that broadly represent the housing theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The largest 50 stocks from eligible basic industries are chosen based on 6 month average free-float market capitalisation. Index stock weights are based on their free-float market capitalization. Sector weights are capped at 25% each and stock weights are capped at 10% each.

6. **Nifty India Consumption:** The index is designed to reflect the behavior and performance of a diversified portfolio of companies representing the domestic consumption sector which includes sectors like Consumer Non-durables, Healthcare, Auto, Telecom Services, Pharmaceuticals, Hotels, Media & Entertainment, etc. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. Companies with domestic operating revenue of more than 50% are considered eligible for inclusion in the index. The index comprises of maximum of 30 stocks. Weights of constituents of Nifty India Consumption index are capped at 10% (maximum capping limit).

7. **Nifty India Tourism:** The index is designed to reflect the behaviour and performance of portfolio of stocks that represent the travel and tourism theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 30 stocks. Weights of constituents of Nifty India Tourism are capped at 20% (maximum capping limit).

8. **Nifty Infrastructure:** The index is designed to reflect the behaviour and performance of companies that represents infrastructure sector such as power, port, air, roads, railways, shipping etc. A comprehensive list of basic industries eligible to be included in this index can

be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 30 companies.

Further, effective September 27, 2019, the index is computed with maximum of 30 companies and weights of each company in the index are capped at 20% (from 34% earlier).

9. Nifty MNC: The index is designed to reflect the behaviour and performance of companies in which the foreign promoter shareholding is over 50%. The index comprises of maximum of 15 companies and base date of the index is January 2, 1995 and base value of 1000 points.

Further, effective September 28, 2018, the index is computed with maximum of 30 companies and weights of each company in the index are capped at 10%. At the time of rebalancing of shares/ change in index constituents/ change in investable weight factors (IWFs), the weightage of the index constituent (where applicable) is capped at 10%. Weightage of such stock may increase beyond 10% between the rebalancing periods.

10. Nifty PSE: The index is designed to reflect the behaviour of public sector enterprises (PSE) companies. Companies with 51% of their outstanding share capital held by the Central Government and/or State Government, directly or indirectly are considered as PSEs. The index comprises of maximum of 20 companies.

Weights of each stock in Nifty PSE index are calculated based on its free-float market capitalization such that no single stock shall be more than 33% and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing.

11. Nifty Rural: The index is designed to reflect the behaviour and performance of portfolio of stocks that represent the rural theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 75 stocks. Weights of sectors of Nifty Rural are capped at 25% (maximum capping limit) and weights of constituents are capped at 10% (maximum capping limit)

12. Nifty Services Sector: The Nifty Services Index is designed to reflect the behavior and performance of service sectors services sector such as computers – software, IT education and training, banks, telecommunication services, financial institutions, power, media, courier, shipping etc. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The index comprises of maximum of 30 companies.

Weights of each stock in Nifty Services Sector index are calculated based on its free-float market capitalization such that no single stock shall be more than 33% and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing.

13. Nifty Non-Cyclical Consumer: NSE Indices has developed the Nifty Non-Cyclical Consumer Index which aims to track the performance of portfolio of stocks that broadly represent the Non-Cyclical Consumer theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The largest 30 stocks from eligible basic industries are chosen based on 6 month average free-float market capitalisation. The list of basic industries identified so far may evolve and hence change in future due to market dynamics. The weight of the stocks in the index is based on their free-float market capitalization. Stock weights are capped at 10%.

14. Nifty Mobility: NSE Indices has developed the Nifty Mobility Index which aims to track the performance of portfolio of stocks that broadly represent the mobility theme. The largest 30 stocks from eligible basic industries shown in Table 1 below are chosen based on 6 month average free-float market capitalization. The list of basic industries identified so far may evolve and hence change in future due to market dynamics. The weight of the stocks in the index is based on their free-float market capitalization. Sectors corresponding to certain basic industries listed in Table 2 below are capped at 20% each and the stocks belonging to these basic industries are capped at 5% each. All other stocks are capped at 8% each.

Table 1: List of eligible basic industries

No.	Eligible Basic Industry	No.	Eligible Basic Industry
1	2/3 Wheelers	15	Port & Port services
2	Abrasives	16	Railway Wagons
3	Airline	17	Railways
4	Auto Components & Equipments	18	Refineries & Marketing
5	Batteries Automobile	19	Ship Building & Allied Services
6	Bearings	20	Shipping
7	Castings & Forgings	21	Toll bridge operator
8	Commercial Vehicles	22	Tour, Travel Related Services
9	Fastener	23	Tractors
10	Gas Cylinders	24	Trading Auto Ancillaries
11	Gas Transmission/Marketing	25	Trading Automobiles
12	Logistics Solution Provider	26	Tyres & Rubber Products
13	LPG/CNG/PNG/LNG Supplier	27	Apart from the above 25 basic industries, E-Commerce companies which are into delivery are eligible to be included
14	Passenger Cars & Utility Vehicles		

Table 2: Basic industries for which corresponding sectors are capped at 20% each and stock cap of 5% each applies. This list of basic industries for which corresponding sectors are capped at 20% each and stocks are capped at 5% each, may evolve and hence change in future due to market dynamics.

Sr. No.	Basic industries for which corresponding sectors are capped at 20% each and stock cap of 5% each applies
1	Abrasives
2	Bearings
3	Castings & Forgings
4	LPG/CNG/PNG/LNG Supplier
5	Railway Wagons
6	Refineries & Marketing
7	Ship Building & Allied Services
8	Gas Transmission/Marketing

The above list of basic industries, for which corresponding sectors are capped at 20% each and stocks are capped at 5% each, may evolve and hence change in future due to market dynamics.

15. Nifty India Digital: NSE Indices has developed the Nifty India Digital Index which aims to track the performance of portfolio of stocks that broadly represent the Digital theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. All stocks from eligible basic industries are

selected to form part of the index. The list of basic industries identified so far may evolve and hence change in future due to market dynamics. Additionally, in the future, we may explore using Artificial Intelligence (AI)/Machine Learning (ML) driven tools to identify companies focused on digital technology. The weight of the stocks in the index is based on their free-float market capitalization. Sector weights are capped at 50% each and stock weights are capped at 7.5% each.

16. **Nifty India Infrastructure & Logistics**: The Nifty India Infrastructure & Logistics Index aims to track the performance of companies from the Nifty 500 that represent the infrastructure and logistics theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The largest 100 stocks from eligible basic industries are selected based on 6 month average free-float market capitalization. An industry cap of 20% and a stock cap of 5% shall be applicable.

17. **Nifty Transportation & Logistics**: The Nifty Transportation & Logistics Index aims to track the performance of portfolio of stocks that broadly represent the Transportation & Logistics theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}.

The largest 30 stocks from eligible basic industries given below are chosen based on 6 month average free-float market capitalisation. The list of basic industries identified so far may evolve and hence change in future due to market dynamics. The weight of stocks in the index is based on their free-float market capitalization. Stock weights are capped at 20% each.

Index review and eligibility criteria

Index Review frequency:

The review of these indices is undertaken semi-annually based on data for six months ending January and July.

Eligibility Criteria

To be considered for inclusion in indices listed above, companies must form part of eligible universe. The eligible universe includes:

1. Companies should form part of Nifty 500 at the time of review.
2. In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Example: Nifty Infrastructure index would be considered as a child index as constituents of Nifty Infrastructure are selected from a list of Nifty 500 index.
3. Minimum number of stocks within the index should be 10.
4. In case, the number of eligible stocks within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data used for index rebalancing of Nifty 500
5. Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
6. Companies should form part of respective theme of indices as mentioned above
7. In case of Nifty Infrastructure index, companies that are allowed to trade in F&O segment at NSE are only eligible to be constituent of the index
8. Companies will be included if free-float market capitalisation is at least 1.5 times the free-float market capitalization of the smallest index constituent in respective index.

Constituent capping:

- Weights of constituents of Nifty Commodities, Nifty India Consumption index, Nifty MNC and Nifty Non-Cyclical Consumer are capped at 10% (maximum capping limit), weights of constituents of Nifty Core Housing are capped at 15%, weights of constituents of Nifty Infrastructure, Nifty India Tourism and Nifty Capital Markets are capped at 20% and weights of each stock in, Nifty PSE and Nifty Services Sector index are calculated based on its free-float market capitalization such that no single stock shall be more than 33% and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing. For Nifty Energy index, weightage of single stock shall not be more than 10% at the time of rebalancing and weightage of any industry shall not be more than 25% at the time of rebalancing. For the Nifty India Infrastructure & Logistics Index, industry weights are capped at 20% and stock weights are capped at 5%. For the Nifty Housing Index, sector weights are capped at 25% each and stock weights are capped at 10% each. For Nifty Rural Index, sector weights are capped at 25% each and stock weights are capped at 10% each. For Nifty India New Age Consumption, sector weights are capped at 25% each and stock weights are capped at 5% each. For the Nifty Mobility Index, sectors corresponding to certain basic industries listed in Table 2 are capped at 20% each and the stocks belonging to these basic industries are capped at 5% each. All other stocks are capped at 8% each. In case the number of stocks from basic industries corresponding to those defined in Table 2 above getting capped at 5%, is greater than or equal to 4, the sector cap criteria for such non-core sectors would be relaxed from 20% to 25%, then 30% and so on. For the Nifty India Digital Index, sector weights are capped at 50% each and stock weights are capped at 7.5% each. For the Nifty Transportation & Logistics Index, stock weights are capped at 20% each.
- This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than maximum capping limits as stated above. The capping factor of stocks is realigned replacement of scrips in the index and on a quarterly basis and made effective from the last trading day of March, June, September and December
- In the event of weight realignment, capping factors will be calculated for all constituents (for capped indices) whose uncapped weight is greater than maximum capping limits as stated above. Weightage of such constituent may increase beyond maximum capping limit between the rebalancing periods depending on the price movement. The capping factor is calculated

considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes for all constituents

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

18. Nifty Conglomerate 50

The Nifty Conglomerate 50 Index aims to track the performance of 50 stocks from the Nifty 500 Index that represent India's major Conglomerates. The largest stocks from each Indian Conglomerate group in Nifty 500 are selected based on their 6-month average free float market capitalization. The weight of each stock in the index is based on its free-float market capitalization, subject to a Conglomerate group cap of 23% and stock cap of 10%.

The salient features of this index are:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks forming part of the Nifty 500 Index at the time of review are eligible for inclusion in the index
- Stocks forming part of the eligible business groups which are referred to as "Conglomerate" shall be eligible to be included from the universe at the time of review
- The index comprises a maximum of 50 stocks
- The weight of each stock in the index is based on free float market capitalization
- The index is reconstituted and rebalanced quarterly
- Stock weights are capped at 10%. Conglomerate Groups are capped at 23%

Universe:

- Stocks forming part/going to form part of Nifty 500 at the time of review

Eligible Universe:

- All the stocks from the universe except for the stocks classified under the industry "Banks"

Stock selection criteria:

The stocks within the eligible universe are selected in the following steps:

Step 1: Stocks from the eligible universe are classified by their Business Groups. A business group which has at least three companies and spans across two or more sectors shall be considered as an eligible business Group (hereinafter referred to as "Conglomerate")

Step 2: Select top 3 stocks from each Conglomerate based on 6-month average Free Float Market capitalization

Step 3

a) If the total number of stocks in the index after Step 2 is more than 50, then re-rank the third ranked stocks from each Conglomerate, and exclude the excess stocks with lower 6-month Average. Free Float Market capitalization from the re-ranked stocks. If the number of stocks are still more than 50, then repeat the same process for rank 2 stocks of each eligible conglomerate

b) If the number of stocks in the index after Step 2 is less than 50, the fourth ranked stock from each eligible Conglomerate is selected to be part of the index in descending order of their 6-month average free float market capitalization. If still there is any deficit in the index, the same process is repeated with the fifth ranked stock and so on.

In case the total number of stocks in the index from all the Conglomerates is less than 50, then the index shall continue with less than 50 stocks

Weights and Capping:

- Weight of the stock in the index is based on its free float market capitalization
- The weight of each conglomerate group is capped at 23% and the weight of each stock is capped at 10% at the time of rebalancing
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution

- The index shall be reviewed/reconstituted on a quarterly basis in March, June, September and December based on previous six months period data ended January, April, July and October respectively
- Stocks that moved out of the Nifty 500 Index shall also move out of the index at the time of review of the Nifty Conglomerate 50 Index

- Top 2 stocks based on 6-month average free Float Market Capitalization from each eligible Conglomerate will be compulsorily included in the index during each Quarterly review, subject to maximum of 50 stocks
- If there is any newly eligible stock within an existing conglomerate and if inclusion of this stock does not make this conglomerate with the highest number of index constituents, then such stock will replace the Lowest 6 month average Free Float Market Capitalization cap ranked stock of an existing conglomerate with highest number of constituents through a sequential elimination process, starting with conglomerates having the highest number constituents, and removing the stocks with Lower 6 month Average Free Float Market Capitalization across such conglomerates.
- If there is a new eligible conglomerate, then the remaining stocks of such conglomerate will replace the smaller 6-month Average Free Float Market capitalization stocks from the existing stocks in the index through a sequential elimination process, starting with conglomerates having the highest number constituents, and removing the stocks with lower 6-month Average Free Float Market capitalization across such conglomerates.
- Non-Member eligible companies within an eligible conglomerate will be compulsorily included in the index if its 6-month Average Free Float Market capitalization is at least 1.5 times of the smallest index constituent in that conglomerate
- If the number of stocks at any point of time are above 50, the excess number of constituents shall be removed in a sequential manner beginning with the conglomerates having the highest number of constituents and the stocks with the lowest ranks across conglomerates shall be removed based on 6-month average free float market capitalization
- If any of the existing conglomerates becomes ineligible, then the stocks belonging to such conglomerate shall be compulsorily excluded from the index
- If any of the existing constituent does not form part of the conglomerate, then such index constituent shall be compulsorily excluded from the index
- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents gets excluded from Nifty 500 or undergoes suspension or delisting or scheme of arrangement. If no suitable replacement exists, then the index shall continue with fewer constituents
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

19. Nifty EV & New Age Automotive

The Nifty EV & New Age Automotive Index aims to track the performance of the companies which are active in electric vehicles or new age automotive vehicles (such as hybrid vehicles, hydrogen fuel-based vehicles and green hybrid vehicles) segment. This particularly includes manufacturers of electric vehicles, new age automotive vehicles, electric batteries; electric vehicles or electric battery component producers, companies produce or supply raw materials that are relevant to the electric vehicle and autonomous vehicle technology segment, companies that build autonomous vehicles, and suppliers of autonomous vehicle technologies.

The salient features of this index are:

- The index has a base date of April 02, 2018 and a base value of 1000.
- Stocks forming part / going to be a part of the Nifty 500 index at the time of review are eligible for inclusion in the index.
- Stocks forming a part of the Nifty 500 are eligible to be a part of the index provided they are involved in the production and supply of electric or new age automotive vehicles, batteries, components, raw materials, and technology
- The overall weight of the stocks belonging to Group A (Manufacturing of 2W/3W/4W/PV/CV Electric and New age automotive vehicles) shall be capped at 40%.
- The weight of each stock belonging to Group A shall be capped at 8%. All other stocks are capped at 4%
- The index is reconstituted semi-annually and rebalanced on a quarterly basis.

Universe:

- Stocks forming part/going to form part of the Nifty 500 index
- Bottom 10 percentile stocks based on 6-month average daily turnover are ineligible for inclusion in the index

Eligible Universe:

- Stocks within Nifty 500 are eligible to be a part of the index provided they fulfil any of the following criteria:
    - **Group A**

      Manufacturing of 2W/3W/4W/PV/CV Electric and New age automotive vehicles
    - **Group B**

      Manufacturing of batteries for Electric and New age automotive vehicles
    - **Group C**:

      C.1) Manufacturing of components for Electric and New age automotive vehicles / Electric and New age automotive vehicle batteries

      C.2) Manufacturing/ Supply of raw material for Electric and New age automotive vehicles/batteries/components (excluding supplier/manufacturer of metals)

      C.3) Provide advanced automotive technology for Electric and New age automotive vehicles.
    - **Group D**

      All companies that are part of eligible universe for group C and are a part of any one of the below groups:

      - Product Linked Incentives (PLI) for Advanced Automotive or ACC batteries
      - Faster Adoption and manufacturing of Electric Vehicles (FAME)
      - Society of Manufacturers of Electric Vehicles (SMEV) (excluding companies that are only involved in charging ecosystem)

      **For detailed description of each criterion, please refer to the Annexure below*

Stock Selection criteria:

Selection of the stocks will be done in either of the following manner:

1. Select all stocks forming part of the Group A and Group B
2. Select top 5 stocks based on 6 month average free-float market capitalization from each of the Group C.1, Group C.2 and Group C.3
3. Select top 5 stocks based on 6 month average free-float market capitalization from Group D that are not selected in step 2 above.

Weights and Capping:

- Weight of each stock in the index is based on its free-float market capitalization
- Aggregate weight of the stocks belonging to Group A shall be capped at 40%

- The weight of each stock in Group A shall be capped at 8%. All other stocks are capped at 4%.
- In case the capping limits are not achievable, the capping threshold shall be relaxed by 1%
- The weight of the stocks shall be rebalanced on a quarterly basis

Reconstitution:

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of review of the Nifty EV & New Age Automotive index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms.

Annexure

Following is a detailed description of each of the groups mentioned above:

Group A:

Manufacturing of 2W/3W/4W/PV/CV Electric and New age automotive vehicles: The companies forming part of any of the following are eligible to be a part of the index:

A company either on its own or through its subsidiary is involved in the manufacturing of Battery Electric Vehicle (BEV) or electric 2-wheelers (2W) such as electric scooters, electric motorcycles and e-bicycles , 3-wheelers (3W) such as e-rickshaws, 4-wheelers (4W), passenger vehicles, and commercial vehicles such as electric bus, electric trucks (LCV, MCV, HCV, ICV, MDV, electric tippers, power freight trucks, electric trailers) and electric tractors and electric rails, alternative

fuel driven vehicles such as hybrid vehicles, hydrogen fuel based vehicles and green hybrid vehicles.

Group B:

Manufacturing of batteries for Electric and New age automotive vehicles:

The companies forming part of any of the following are eligible to be a part of the index:

A company either on its own or through its subsidiary is involved in the manufacturing of batteries for electric / alternative fuel-driven vehicles (hybrid vehicles, hydrogen fuel-based vehicles and green hybrid vehicles) such as lithium-ion batteries, lithium-ion battery packs, lead-acid batteries, sodium-ion batteries, solid-state batteries, electric vehicle battery cells, e-ride batteries, e-rickshaw batteries, E3W and E2W battery pack, pure-lead thin plate battery.

Group C:

C.1) Manufacturing of components for Electric and New age automotive vehicles / Electric and New age automotive vehicle batteries:

The companies forming part of any of the following are eligible to be a part of the index:

A company either on its own or through its subsidiary is involved in the manufacturing/supply/ sale of Electric /alternative fuel-driven vehicle (hybrid vehicles, hydrogen fuel-based vehicles and green hybrid vehicles) components such as DC-DC converters, battery chargers, on-board and off-board battery chargers, compressor packages, electric drivetrain, suspension, chassis parts, brake parts, cooling systems, charge protection devices, aluminium castings, Hub motor, motor control unit, electric control unit, dampers, motors, crankshafts, aluminium forgings, stampings, magnetic products, composites, electric powertrain, customised bearings, seals, thermal management system, RCD cable, body control module, smart plug, traction motors, traction motors cooling systems, axles, drivetrain and rotor parts, drive pulley, output shaft, drive motor, motor controller, battery modules, throttle grip sensors, tyre pressure sensors, electric horn, electric coolant pumps, electric vacuum pumps, electric compressor, electronic braking system, Heads-Up display, E-cockpit, Disc brake, Round TFT Instrument cluster, TFT Smart Clusters, electric cabin tilt system, hydrogen powertrain, automotive LED lighting, electric locomotives, shock absorbers, hybrid energy storage device, EV controller, electric control panels, wiring harness, gears, camshafts, VFD, carburetor, EV fuses, Thinsulate acoustic insulation, integrated absorptive barrier, muphony multilayered acoustic specifically designed for EVs. OR

A company either on its own or through its subsidiary is involved in the manufacturing of components of Electric /alternative fuel-driven vehicle (hybrid vehicles, hydrogen fuel-based vehicles and green hybrid vehicles) batteries such as lithium-ion cells, coating material for lithium-ion batteries, lithium-ion battery components, BOPET (Biaxially Oriented Polyester) films for EV batteries, battery management system (BMS) and graphite anode.

C.2) Manufacturing/Supply of raw material for Electric and New age automotive vehicles/batteries/components (excluding supplier/manufacturer of metals):
The companies forming part of any of the following are eligible to be a part of the index:

A company either on its own or through its subsidiary is involved in the production/ supply of chemicals or raw materials for electric/alternative fuel-driven (hybrid, hydrogen fuel-based and green hybrid) vehicles/batteries/components such as bromine and lithium for lithium-ion batteries, development of EV battery molecules, electrolyte salts used in super capacitor batteries, soda -ash, lithium iron phosphate, PVDF electrode binders, battery chemicals, LiPF6, additives, electrolyte formulations, cathode active materials, fluoropolymers, anode and cathode material for lithium-ion cells **excluding** ceramics, metals such as copper and aluminium, steel, and other metal based products such as aluminium foil and semi-conductor material such as silicon carbide

C.3) Advanced Automotive Technology for Electric and New age automotive vehicles:
The companies forming part of any of the following are eligible to be a part of the index:

A company either on its own or through its subsidiary provides hardware/software technology solutions to Electric/alternative fuel-driven vehicles (hybrid, hydrogen fuel-based and green hybrid) such as end-to-end electric vehicle engineering solutions, electric vehicle solutions, electric drivetrain solutions, electric mobility solutions, hydrogen drivetrain solutions. This also includes companies that are involved in the development of green technology for electric/alternative fuel-driven vehicles (hybrid, hydrogen fuel-based and green hybrid), Advanced Driver Assistance systems (ADAS), car automation, control systems and technology solutions for software defined vehicles (SDVs).

Group D:

All companies that are part of eligible universe for group C and are part of any one of the below groups:

- Product Linked Incentives (PLI) for Advanced Automotive or ACC batteries
- Faster Adoption and manufacturing of Electric Vehicles (FAME)
- Society of Manufacturers of Electric Vehicles (SMEV) (excluding companies that are only involved in charging ecosystem)

20. Nifty India Manufacturing

'Nifty India Manufacturing' Index aims to track the performance of the companies selected from the combined universe of Nifty 100, Nifty Midcap 150 and Nifty Smallcap 50 index based on 6 month average free-float market capitalisation within the eligible basic industries that broadly represent manufacturing sector. A stock's weight is based on its free-float market capitalization.

The salient features of this index are:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks forming part of the combined universe of Nifty 100, Nifty Midcap 150 and Nifty Smallcap 50 at the time of review are eligible for inclusion in the index
- Stocks forming part of the eligible 'basic industry' based on AMFI classification shall be eligible to be included from the universe at the time of review. (Refer Annexure 1 for list of such eligible basic industries)
- Provides ~75% coverage of Free Float Market Cap of eligible stocks within each eligible basic industry of the combined universe
- The weight of each stock in the index is based on its free float market capitalization with a maximum stock cap of 5% and minimum weight to certain manufacturing sectors shall be 20% each
- Index is reconstituted and rebalanced semi-annually

Eligibility Criteria:

To form part of the Nifty India Manufacturing index, stocks should satisfy the following eligibility criteria.

Stock Selection Universe:

- Stocks forming part / going to be a part of the combined universe of Nifty 100, Nifty Midcap 150 and Nifty Smallcap 50 index at the time of review
- Only ordinary equity shares will be considered
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}.

Stock Selection criteria:

Selection of the stocks shall be done in following steps:

Step 1: Select all the eligible stocks from Nifty 100

Step 2: If the cumulative coverage based on 6 month Average FFMCAP of the stocks selected in the step 1 is less than 75% within their basic industries across the combined universe, then the stocks from Nifty Midcap 150 and Nifty Smallcap 50 are sorted in the descending order of the 6 month Average Free-float mcap* within each basic industry

Step 3: The stocks are then selected from the sorted universe until the 75% coverage by cumulative weight (including the stocks selected in step 1) of 6 month Average FFMCAP of the eligible stocks within the basic industry is reached.

Weights and capping:

- Weights of each stock in the index will be calculated based on its free-float market capitalization
- The following manufacturing sectors shall have a minimum weight^ of 20% each
    1) Automobile and Auto Components
    2) Capital Goods
- The maximum weight of each stock within the index is capped at 5%
- The weight of the stocks shall be rebalanced on a semi-annual basis along with the Nifty Broad-based indices

^In case the number of stocks within the Automobile and Auto Components or Capital Goods sector falls below 4, the constraint of minimum sector weight will be relaxed for that sector

Reconstitution:

- Index reconstitution and rebalancing will be done along with the Nifty Broad-based indices on a semi-annual basis in March and September and made effective on the last

trading day of March and September using the 6 month Average free-float capitalization ended January and July respectively

- Stocks forming part/going to be part of the eligible basic industries within the combined universe of Nifty 100, Nifty Midcap 150 and Nifty Smallcap 50 at the time of review are eligible to be the part of the index
- The following guidelines are used in order to achieve the target sector coverage of 75%
    - Step 1: Select all the eligible stocks from Nifty 100
    - Step 2: If the cumulative coverage based on 6 month Average FFMCAP of the stocks selected in the step 1 is less than 75% within their basic industries within the combined universe, the stocks from Nifty Midcap 150 and Nifty Smallcap 50 are sorted in the descending order of the 6 month Average Free-float mcap within their basic industries
    - Based on the above sorting the cumulative % free-float basic industry coverage is calculated
    - In each basic industry where the cumulative % free-float coverage after the selection of stocks within Nifty 100 is less than 75%, the companies are selected until the cumulative basic industry coverage of the selected companies crosses 75% following the below guidelines:
        - The company that increases the cumulative basic industry coverage above 75% is termed as 'marginal company'
        - If the marginal company is an existing index constituent, it is retained in the index.
        - If the marginal company is a new constituent, it will be included in the index:
            - Only if the cumulative weight of companies before the addition of marginal company is less than 70%
            - If the cumulative weight exceeds 75% after the addition of the marginal stock, such that the excess weight above 75% is lower than the earlier deficit below 75% (i.e. 75% minus the cumulative weight before including the marginal stock) For instance, if the cumulative weight of the stocks before the addition of marginal stock is 72.5% and on the addition of the marginal stock, the cumulative weight

becomes 77%, the stock will be included in the index (as the excess weight of 2% is lower than the deficit of 2.5%). But if on the addition of marginal stock the weight becomes 78%, the new constituent will not be included in the index (as the excess weight of 3% is higher than the deficit of 2.5%)

- If there is only 1 eligible stock within the basic industry, it is included in the index

- If adding a non-marginal existing index constituent(s) ranked immediately after the marginal stock does not increase the basic industry coverage beyond 80%, such existing stock(s) would be retained in the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

21. Nifty India Defence

NSE Indices has developed the Nifty India Defence Index which aims to track the performance of portfolio of stocks that broadly represent the Defence theme. From the Nifty Total Market index, stocks forming part of eligible basic industries or those which obtain at least 10% of revenues from the defence industry are eligible to be included in the index and are chosen based on 6 month average free-float market capitalization. The weight of the stocks in the index is based on their free-float market capitalization. Stock weights are capped at 20% each.

The salient features of this index are:

- The index has a base date of April 02, 2018, with a base value of 1000
- Stocks part of / going to form part of the Nifty Total Market at the time of review are eligible for inclusion in the index
- Stocks forming part of the certain eligible 'basic industries' based on AMFI Industry Classification or stocks which are present in the Society of Indian Defence Manufacturers (SIDM) member list and obtain at least 10% of revenues from the defence segment are eligible to be included from the universe at the time of review
- Minimum number of stocks within the index is 10
- The weight of each stock in the index is based on its free float market capitalization
- Stocks weights are capped at 20% each
- The Index is reconstituted semi-annually along with Nifty Broad-market indices

Index Methodology:

Universe and Eligibility Criteria:

- Stocks forming part/going to form part of Nifty Total Market index are considered as eligible universe for stock selection
- Within the Nifty Total Market index, stocks forming part of the basic industries given below or stocks which are present in the Society of Indian Defence Manufacturers (SIDM) member list as of the review date and obtain at least 10% of revenues from the defence segment are eligible to be included in the index. The list of basic industries and eligible SIDM members identified so far may evolve and hence change in the future due to changes in the SIDM member list or market dynamics
- Minimum number of stocks within the index is 10

- In case, the number of eligible stocks within the Nifty Total Market index falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalisation based on previous six months period data used for index rebalancing of Nifty Total Market Index
- Maximum number of stocks within the index is 30
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The above list of eligible basic industries may evolve and hence change in future due to market dynamics.

Stock selection criteria:

As on the base date of the index, select the largest 30 stocks (subject to availability) from the Eligible Universe based on their average daily free float market capitalization based on previous six months period data

Weight and Constituent Capping:

- Stock weights are determined based on their free float market capitalizations
- Stock weights of index constituents are capped at 20% each on a quarterly basis in March, June, September and December
- For capping purpose, the weight of the DVR and its parent stock would be derived in the following way:
    - Aggregate the Free Float Market Capitalization of the DVR security and its parent
    - The weight of the combined entity will be split into the weight of the parent security and the DVR security in the proportion of the Free Float Market Capitalization of the parent and DVR
- The weight of the sectors and stocks may drift between two rebalancing periods due to the movement in stock prices

Reconstitution & Rebalancing criteria:

- Index reconstitution will be done on a semi-annual basis in March and September along with the Nifty Broad-based indices based on data for 6 months ending January and July respectively

- In case the number of stocks in the eligible universe exceeds 30, companies will be included if free-float market capitalisation is at least 1.5 times the free-float market capitalization of the smallest index constituent in respective index
- From April 2016 onwards, equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related criteria mentioned below:
    - Market capitalisation criteria is measured at a company level by aggregating the market capitalisation of individual class of security meeting the liquidity criteria for the respective index
    - Free float of DVR equity class share should be at least 10% of free-float market capitalization of the company (voting equity class share and DVR equity class share) and 100% free-float market capitalization of last security in respective index
    - It should meet liquidity criteria applicable for the respective index
    - Upon inclusion of DVRs in index, the index may not have fixed number of securities. For example, if DVR of an existing Nifty 50 constituent is included in Nifty 50, the Nifty index will have 51 securities but continue to have 50 companies
    - It is possible that the DVR is eligible for inclusion in the index whereas the full voting rights security class is ineligible. In such scenario, the DVRs shall be included in the index irrespective of whether full voting rights share class is part of index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

22. Nifty India Internet

NSE Indices has developed the Nifty India Internet Index which aims to track the performance of the companies from Nifty Total Market that conduct business largely through online platforms. The weight of each stock in the index is based on its free-float market capitalization. The weight of each stock is capped at 20%

The salient features of this index are:

- The index has a base date of October 01, 2021, with a base value of 1000
- Stocks part of the Nifty Total Market index at the time of review are eligible for inclusion in the index
- Stocks forming part of the eligible basic industries {Click Here} shall be eligible to be included from the universe at the time of review
- The weight of each stock in the index is based on free float market capitalization
- The Index is reconstituted semi-annually and rebalanced quarterly
- The weight of each stock in the index is capped at 20%

Index Methodology:

Eligible Universe:

- Stocks forming part/going to form part of Nifty Total Market index are considered as eligible universe for stock selection
- Stocks forming part of the eligible basic industries within the Nifty Total Market are eligible to be included in the index.
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}

Stock selection criteria:

- All the stocks within the eligible universe are selected to be part of the index

Weights and Capping:

- Weight of the stock in the index is based on its free float market capitalization
- Stock weights shall be capped at 20% at the time of rebalancing
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock price

Index Rebalancing and Reconstitution:

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September using six months average data ended January and July respectively
- Stocks that moved out of the Nifty Total Market index shall also move out of the index at the time of review of the Nifty India Internet Index
- Existing index constituents that do not form part of the eligible universe are excluded from the index at the time of review.
- Minimum number of stocks within the index should be 10.
- In case the number of eligible stocks in the universe is less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

23. Nifty India New Age Consumption

NSE Indices has developed the Nifty India New Age Consumption Index which aims to track the performance of stocks from the Nifty 500 Index which represent the new age consumption theme. The new age consumption theme captures companies that cater to the discretionary and aspirational spending of the new generation. It also provides insights into the evolving preferences that define modern consumer behaviour in a rapidly changing market by focusing on sectors such as Consumer Services, Automobile and Auto Components, Consumer Durables, Realty etc. The Nifty India New Age Consumption index comprises of maximum of 75 stocks. The weight of each stock in the index is based on its free-float market capitalization.

The salient features of this index are:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Stocks forming part of the eligible basic industries {Click Here} shall be eligible to be included from the universe at the time of review
- The index comprises a maximum of 75 stocks
- The weight of each stock in the index is based on free float market capitalization
- The Index is reconstituted semi-annually and rebalanced quarterly
- Sector weights are capped at 25%. Stock weights are capped at 5%

Index Methodology:

Universe:

- Stocks forming part/going to form part of Nifty 500 index are considered as eligible universe for stock selection
- Stocks forming part of the basic industries within the Nifty 500 are eligible to be included in the index.
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}

Stock selection criteria:

- 75 stocks from the eligible universe are selected in the following manner:
    - Step 1: Select top stock from each basic industry based on 6-month average Free Float Market capitalization.
    - Step 2: In case the number of stocks selected in step 1 above is less than 75, then the deficit number of stocks are selected based on 6-month average Free Float Market capitalization from the remaining universe.

Weights and Capping:

- Weight of the stock in the index is based on its free float market capitalization
- Sector weights are capped at 25% and stock weights shall be capped at 5% at the time of rebalancing
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September using data ended January and July respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of review of the Nifty India New Age Consumption index
- Existing index constituents that do not form part of the eligible universe are excluded from the index
- Minimum number of stocks within the index should be 10.
- In case, the number of eligible stocks within Nifty 500 falls below 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty 500
- Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average

daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents

- Compulsory inclusion shall be done in the following manner:
    - Step 1: Top stock from each basic industry shall be compulsory included
    - Step 2: Non-member eligible stock shall be included if its free-float market capitalization is at least 1.5 times the free float market capitalization of the smallest index constituent other than the stocks forming part of Step 1
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

24. Nifty India Railways PSU

NSE Indices Limited provides a variety of indices and index related services and products for the Indian capital markets. NSE Indices has developed the Nifty India Railways PSU Index which aims to track the performance of PSUs from the Nifty 500 which are either owned by the Ministry of Railways (classified as core group) or cater to the Indian Railways (classified as non-core group). The weight of each stock in the index is based on its free-float market capitalization. The aggregate weight of stocks belonging to the core group is capped at 80% and the aggregate weight of stocks belonging to the non-core group is capped at 20%. The weight of each stock is capped at 20%

The salient features of this index are:

- The index has a base date of April 01, 2021, with a base value of 1000
- Stocks part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Public sector stocks which are owned by Ministry of Railways, or which cater to the Indian Railways are eligible to be part of index
- The weight of each stock in the index is based on free float market capitalization
- The Index is reconstituted semi-annually and rebalanced quarterly
- The aggregate weight of stocks belonging to the core group is capped at 80% and the aggregate weight of stocks belonging to the non-core group is capped at 20%. The weight of each stock is capped at 20%

Index methodology:

Universe:

- Stocks forming part/going to form part of Nifty 500 index

Eligible Universe:

- Stocks from Nifty 500 that are classified as PSUs/PSEs are eligible to be part of this index. PSUs are defined as stocks in which at least 51% of outstanding share capital is held by the Central Government and/or State Government, directly or indirectly

Stock selection criteria:

- Stocks from the eligible universe are classified in the following manner
    - **Core Group**: Public Sector Undertakings and other Organizations functioning under Ministry of Railways
    - **Non-Core Group**: Stocks from eligible universe which do not form part of core group classified above, that supply any product, raw material or provide any services such as technology/ Electricity/ consultation etc to Indian Railways or have any revenue/ Trade receivables from Indian Railways
- All the stocks from the Core and Non-Core Groups classified above are selected to be part of the index

Weights and Capping:

- Weight of the stock in the index is based on its free float market capitalization
- The aggregate weight of stocks belonging to the core group is capped at 80% and the aggregate weight of stocks belonging to the non-core group is capped at 20%. The weight of each stock is capped at 20%
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution:

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September using six months average data ended January and July respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of review of the Nifty India Railways PSU index
- Existing index constituents that do not form part of the eligible universe are excluded from the index at the time of review.
- Minimum number of stocks within the index should be 10.
- In case, the number of eligible stocks within Nifty 500 falls below 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty 500

- Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

25. Nifty India Select 5 Corporate Groups (MAATR)

NSE Indices Limited provides a variety of indices and index related services and products for the Indian capital markets. NSE Indices has developed the Nifty India Select 5 Corporate Groups (MAATR) which aims to track the performance of stocks from the Nifty 500 Index which form a part of the following corporate groups: Mahindra, Aditya Birla, Adani, Tata and Reliance. All the stocks from the eligible universe are selected to be part of the index. The weight of each stock in the index is based on its free-float market capitalization. The weight of each corporate group is capped at 23% and the weight of each stock is capped at 15%.

The salient features of this index are:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks forming part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Stocks forming a part of the above-mentioned corporate groups shall be eligible to be included from the Nifty 500 at the time of review
- The weight of each stock in the index is based on free float market capitalization
- The index is reconstituted and rebalanced quarterly
- The weight of each corporate group is capped at 23% and the weight of each stock is capped at 15%

Index methodology:

Universe:

- Stocks forming part/going to form part of Nifty 500 index are considered as eligible universe for stock selection
- Stocks forming a part of the below mentioned corporate groups within the Nifty 500 are eligible to be included in the index:
    1. Mahindra
    2. Aditya Birla
    3. Adani
    4. Tata
    5. Reliance

Stock selection criteria:

- All the stocks within the eligible universe are selected to be part of the index

Weights and Capping:

- Weight of the stock in the index is based on its free float market capitalization
- The weight of each corporate group is capped at 23% and the weight of each stock is capped at 15% at the time of rebalancing
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution

- The index shall be reviewed/reconstituted on a quarterly basis in March, June, September and December based on data for ending January, April, July and October respectively.
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of review of the Nifty India Select 5 Corporate Groups (MAATR) index.
- If an existing index constituent does not form a part of any of the 5 corporate groups mentioned above, it shall be compulsorily excluded from the index.
- Minimum number of stocks within the index should be 10.
- In case, the number of eligible stocks within Nifty 500 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty 500
- Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed

from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.

- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

26. Nifty IPO

The Nifty IPO Index aims to track the performance of the last 100 IPOs listed on NSE and permitted to trade stocks if they are allowed to trade on NSE on the day of listing, subject to meeting minimum inclusion criteria. Stock weights are determined based on their free float market capitalization. Stock weights are capped at 10%

The salient features of this index are:

- The index has an inception date of Jan 02, 2017, with a base value of 1000
- Last 100 IPOs are eligible for inclusion in the index subject to minimum inclusion criteria
- The weight of each stock in the index is based on its free float market capitalization
- The index is reviewed quarterly
- Stocks weights are capped at 10% each

Index methodology:

Eligible Universe:

- All IPOs listed on NSE Main board and permitted to trade stocks if they are allowed to trade on NSE on the day of listing
- Company's free-float market capitalization as on the listing date at NSE should be Rs. 100 crores or more

Stock selection criteria:

- As on the base date of the index, previous 100 IPOs that are eligible as per the above eligibility criteria, are selected to be part of the index.

Constituent Weights and Capping:

- Stock weights are determined based on their free float market capitalizations
- Each constituent of the index is capped at 10%
- Index weight caps are reset at every review whether periodic or ad-hoc

Reconstitution & Rebalancing criteria:

- The index reconstitution and rebalancing is done on a quarterly basis and will be made effective from the last trading day of March, June, September and December
- At every quarterly review, the total number of constituents in the index is reset at 100 by removing the excess number of stocks above 100. Stocks with oldest listing dates are removed first

- In case there are two or more stocks with same listing date and are eligible for exclusion, all such stocks shall be removed from the index and the total number of stocks in the index may temporarily be lower than 100
- Going forward, eligible new IPOs shall be included in the index on a T+4 basis, where T is the listing date of IPO. No exclusions from the index shall be made due to these inclusions. As a result, the total number of index constituents may exceed 100 between two quarterly index review dates
- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement. No inclusions shall be made into the index due to such exclusions

27. Nifty MidSmall India Consumption

The Nifty MidSmall India Consumption index aims to track the performance of the portfolio of stocks that broadly represent the consumption theme within the basic industries like pharmaceuticals, media and entertainment, telecom services, hotels, consumer electronics, residential, commercial projects, etc. Companies with domestic operating revenues of more than 50% are considered eligible to be the part of the index.

The index includes upto 30 stocks and are selected from the parent Nifty MidSmallcap 400 index based on stock's 6 month average free-float market capitalization. The weight of each stock in the index is based on stock's free float market capitalization. Stock weights are capped at 10% at the time of index rebalancing.

The salient features of this index are:

- The index series has a base date of April 01, 2005 and a base value of 1000
- Stocks forming part / going to be a part of the Nifty MidSmallcap 400 index at the time of review are eligible for inclusion in the index subject to the following:
    - Domestic operating revenues of more than 50% are considered eligible for inclusion in the index
    - Non - F&O stocks within Nifty MidSmallcap 400 are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band) during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period
- Top 30 stocks are selected within the eligible basic industries to be the part of the index (subject to availability))
- The weight of each stock in the index is based on its free float market capitalization
- Index is reconstituted semi-annually and rebalanced quarterly.

Index methodology:

Eligibility criteria

To form part of Nifty MidSmall India Consumption Index, stocks should qualify the following eligibility criteria(s)

- Stocks forming part / going to be a part the Nifty MidSmallcap 400 index at the time of review subject to the following:
    - Companies with domestic operating revenues of more than 50% within the eligible basic industries are considered eligible to be the part of the index. A comprehensive

list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The list of basic industries identified so far may evolve and hence change in future due to market dynamics.

- Non - F&O stocks within Nifty MidSmallcap 400 are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

**An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*

Stock Selection criteria:

- Top 30 stocks based on 6-month average Free-Float Market capitalization within the eligible universe in Nifty MidSmall India Consumption Index are selected to be part of the index (subject to availability)

Constituent Weights and Capping:

- Weights of each stock in the index shall be calculated based on its free-float market capitalization
- Stock weights shall be capped at 10% at the time of rebalancing
- Capping of the index shall be done on a quarterly basis on the last trading day of March, June, September and December.

Reconstitution

- The index will be reconstituted on a semi-annual basis along with the parent index Nifty MidSmallcap 400 in the month of March and September using six-month average data ending January and July respectively
- The replacements shall be implemented from the last trading day of March and September

- Eligible stocks within the universe that are not part of the index shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent replacing such smallest index constituent
- In case, the number of eligible stocks within the Nifty MidSmallcap 400 falls below 30, the index shall continue with the available number of stocks within the eligible universe
- In case, the number of eligible stocks within Nifty MidSmallcap 400 falls below 10, then deficit number of stocks shall be selected from the universe of stocks ranked within top 800 based on both average daily turnover and average daily full market capitalization based on previous six months period data used for index rebalancing of Nifty MidSmallcap 400, provided company meets the eligibility criteria of having minimum listing history of 1 calendar month, 90% trading frequency, not hitting the circuit filter more than or equal to 20% of the trading days in past 6 months as on the data cut-off date and are not forming part of Nifty 100 as on effective date
- Further, in case the number of eligible stocks in the universe is still less than 10, then the deficit number of stocks shall be selected from the universe of stocks ranked within top 1000, top 1100, top 1200 and so on, based on both average daily turnover and average daily full market capitalization based on previous six months period data, until at least 10 eligible stocks are obtained, subject to fulfilment of other inclusion criteria. If the number of eligible stocks is still less than 10, then the index may have less than 10 constituents
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is excluded from Nifty MidSmallcap 400 index or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, index will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of noncompliance to ensure the compliance of applicable norms

28. Nifty Waves

NSE Indices has developed the Nifty Waves Index which aims to track the performance of companies representing the Indian media, entertainment and gaming industry. The weight of each stock in the index is based on its free-float market capitalization. The weight of each stock is capped at 5%

The salient features of this index are:

- The index has a base date of April 01, 2005, with a base value of 1000
- All companies domiciled in India and traded (listed & traded and not listed but permitted to trade) at NSE at the time of review are eligible for inclusion in the index
- Stocks forming part of the eligible basic industries {Click Here} shall be eligible to be included from the universe at the time of review
- The weight of each stock in the index is based on free float market capitalization
- The Index is reconstituted semi-annually and rebalanced quarterly
- The weight of each stock in the index is capped at 5%

Index Methodology:

Universe:

- All companies domiciled in India and traded (listed & traded and not listed but permitted to trade) at NSE

Eligible Universe:

- Stocks should have a minimum listing history of one month as of the cutoff date
- Stocks categorized under BZ series are not eligible for inclusion in the Nifty Waves Index
- A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}

Stock selection criteria:

- All the stocks from the eligible universe are selected to be part of the index

Weights and Capping:

- Weight of the stock in the index is based on its free float market capitalization
- The weight of each stock is capped at 5%
- Capping will be done quarterly at the time of rebalancing on the last trading day of March, June, September and December
- The weight of the stocks may drift between the two rebalancing periods due to the movement in stock prices

Index Rebalancing and Reconstitution:

- The index shall be reviewed/reconstituted on a semi-annual basis in March and September using six months average data ended January and July respectively
- Existing index constituents that do not meet the eligibility criteria are excluded from the index at the time of review of the Nifty Waves Index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergo; a) any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc., and/ or b) moved to BZ series

29. Nifty500 Multicap India Manufacturing 50:30:20

The Nifty500 Multicap India Manufacturing 50:30:20 aims to track the performance of select large cap, mid cap and small cap stsocks from the Nifty 500 index that represent the manufacturing theme. The weight of stocks is based on stock's free float market capitalization with overall weight to large cap segment fixed at 50%, mid-cap segment fixed at 30% and small cap segment fixed at 20%. The weight of each stock in the index is capped at 10%.

The salient features of this index are:

- The indices have a base date of April 01, 2005 and a base value of 1000
- Stocks forming part / going to be a part of the Nifty 500 index at the time of review are eligible for inclusion in the indices
- 15 companies from large cap universe, 25 companies from mid cap and 35 companies from small cap universe based on free-float market capitalization from the eligible universe with preference to stocks that are available for trading on NSE's F&O segment are selected to be the part of the indices
- The overall weight to the large cap segment is fixed at 50%, mid cap segment is fixed at 30% and small cap segment is fixed at 20%.
- The weight of each stock in the index is based on the free float market capitalization subject to a stock cap of 10%
- Indices are reconstituted semi-annually and rebalanced quarterly

Index Methodology

Eligibility criteria

To form part of Nifty500 Multicap India Manufacturing 50:30:20 and Nifty500 Multicap Infrastructure 50:30:20, stocks should qualify the following eligibility criteria:

Eligible Universe:

- Stocks forming part / going to be a part the Nifty 500 index at the time of review
- Only ordinary equity shares will be considered
- Stocks should form part of the manufacturing theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document

{Click Here}. The list of basic industries identified so far may evolve and hence change in future due to market dynamics.

Eligible segment universe:

Stock forming part of eligible universe are further classified into following segment universe:

a) Large cap universe : stocks forming part of the Nifty 100
b) Mid cap universe : stocks forming part of the Nifty Midcap 150
c) Small cap universe : stocks forming part of the Nifty Smallcap 250

Stock Selection criteria:

Selection of the stocks shall be done in 2 steps:

- Step 1: Stocks within each eligible segment universe are further sorted in the descending order of their 6 month free-float market capitalization with preference to the stocks that are available for trading on the NSE's Futures & Option segment (F&O stocks)
- Step 2: From the eligible segment universe select :
    - Top 15 companies from large cap universe
    - Top 25 companies from mid cap universe
    - Top 35 companies from the small cap universe

Constituent Weights and Capping:

- The weight of each stock in the indices is based on its free-float market capitalization
- The overall segment weight is fixed at
    - Large cap stocks - 50%
    - Mid cap stocks - 30%
    - Small cap stocks - 20%
- The weight of each stock in the indices shall be capped at 10%
- The indices shall be rebalanced on a quarterly basis on the last trading day of March, June, September and December

Reconstitution

- The indices shall be reconstituted on a semi-annual basis and made effective from the last trading day of March and September

- Stocks that move out of the Nifty 500 shall also move out of the Nifty500 Multicap India Manufacturing 50:30:20 and the Nifty500 Multicap Infrastructure 50:30:20 index
- Non-member F&O stocks within each segment are compulsorily included in the respective index replacing the smallest non F&O index constituent in that segment of that index
- In case all the member stocks within the segment of the index have F&O, a non-member eligible stocks with F&O within that segment shall be included if its free-float market capitalization is at least 1.5 times of the free-float mcap of the smallest index constituent within that segment.
- Non F&O stock will be included if its free-float market capitalization is at least 1.5 times the free float market capitalization of the smallest index constituents which are not available for trading in F&O segment
- In case, the number of eligible stocks within the large cap universe falls below 15, the mid cap universe falls below 25 and the small cap universe falls below 35, the index shall continue with the available number of stocks within the eligible segment universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the indices shall be initiated in case any of the index constituents is excluded from Nifty 500 index or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of noncompliance to ensure the compliance of applicable norms

30. Nifty500 Multicap Infrastructure 50:30:20

The Nifty500 Multicap Infrastructure 50:30:20 Index aims to track the performance of select large cap, mid cap and small cap stocks from the Nifty 500 index that represents the infrastructure theme. The weight of stocks is based on stock's free float market capitalization with overall weight to large cap segment fixed at 50%, mid-cap segment fixed at 30% and small cap segment fixed at 20%. The weight of each stock in the index is capped at 10%.

The salient features of this index are:

- The indices have a base date of April 01, 2005 and a base value of 1000
- Stocks forming part / going to be a part of the Nifty 500 index at the time of review are eligible for inclusion in the indices
- 15 companies from large cap universe, 25 companies from mid cap and 35 companies from small cap universe based on free-float market capitalization from the eligible universe with preference to stocks that are available for trading on NSE's F&O segment are selected to be the part of the indices
- The overall weight to the large cap segment is fixed at 50%, mid cap segment is fixed at 30% and small cap segment is fixed at 20%.
- The weight of each stock in the index is based on the free float market capitalization subject to a stock cap of 10%
- Indices are reconstituted semi-annually and rebalanced quarterly

Index Methodology

Eligibility criteria

To form part of Nifty500 Multicap India Manufacturing 50:30:20 and Nifty500 Multicap Infrastructure 50:30:20, stocks should qualify the following eligibility criteria:

Eligible Universe:

- Stocks forming part / going to be a part the Nifty 500 index at the time of review
- Only ordinary equity shares will be considered
- Stocks should form part of the infrastructure theme. A comprehensive list of basic industries eligible to be included in this index can be accessed in a separate section in this document {Click Here}. The list of basic industries identified so far may evolve and hence change in future due to market dynamics.

Eligible segment universe:

Stock forming part of eligible universe are further classified into following segment universe:

d) Large cap universe : stocks forming part of the Nifty 100
e) Mid cap universe : stocks forming part of the Nifty Midcap 150
f) Small cap universe : stocks forming part of the Nifty Smallcap 250

Stock Selection criteria:

Selection of the stocks shall be done in 2 steps:

- Step 1: Stocks within each eligible segment universe are further sorted in the descending order of their 6 month free-float market capitalization with preference to the stocks that are available for trading on the NSE's Futures & Option segment (F&O stocks)
- Step 2: From the eligible segment universe select :
    - Top 15 companies from large cap universe
    - Top 25 companies from mid cap universe
    - Top 35 companies from the small cap universe

Constituent Weights and Capping:

- The weight of each stock in the indices is based on its free-float market capitalization
- The overall segment weight is fixed at
    - Large cap stocks - 50%
    - Mid cap stocks - 30%
    - Small cap stocks - 20%
- The weight of each stock in the indices shall be capped at 10%
- The indices shall be rebalanced on a quarterly basis on the last trading day of March, June, September and December

Reconstitution

- The indices shall be reconstituted on a semi-annual basis and made effective from the last trading day of March and September
- Stocks that move out of the Nifty 500 shall also move out of the Nifty500 Multicap India Manufacturing 50:30:20 and the Nifty500 Multicap Infrastructure 50:30:20 index
- Non-member F&O stocks within each segment are compulsorily included in the respective index replacing the smallest non F&O index constituent in that segment of that index
- In case all the member stocks within the segment of the index have F&O, a non-member eligible stocks with F&O within that segment shall be included if its free-float market capitalization is at least 1.5 times of the free-float mcap of the smallest index constituent within that segment.
- Non F&O stock will be included if its free-float market capitalization is at least 1.5 times the free float market capitalization of the smallest index constituents which are not available for trading in F&O segment

- In case, the number of eligible stocks within the large cap universe falls below 15, the mid cap universe falls below 25 and the small cap universe falls below 35, the index shall continue with the available number of stocks within the eligible segment universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the indices shall be initiated in case any of the index constituents is excluded from Nifty 500 index or undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of noncompliance to ensure the compliance of applicable norms

31. Nifty Shariah Indices

What is a Shariah Index?

Shariah Index can be used to construct Socially Responsible Investment (SRI) products that are attractive to investors who do not wish to invest in stocks of companies that engage in activities that they deem to be against their beliefs. Shariah compliant products are particularly attractive to Islamic investors, as these instruments allow followers of the Islamic faith to invest without violating their religious principles.

Nifty50 Shariah:

Based on Nifty 50, the current constituents of the index are screened for Shariah compliance. Those that are compliant form the Nifty50 Shariah. The resulting index performance closely tracks the performance of the parent index. The Nifty includes the largest and most liquid companies listed on the National Stock Exchange.

Nifty500 Shariah:

The Nifty 500 covers more than 90% of the total market capitalization and more than 80% of total traded volume on the National Stock Exchange. The current constituents of the index are screened for Shariah compliance. The resulting compliant stocks form the Nifty500 Shariah, which closely tracks the performance of the parent index representation.

Nifty Shariah 25:

25 Shariah compliant stocks forms part the index. The index independent and have fixed number of constituents, unlike other 2 Shariah indices (Nifty50 Shariah & Nifty500 Shariah), which are subsets of parent indices (Nifty 50 & Nifty 500 respectively) and does not have fixed number of constituents. At the time of periodic review of the index, all index constituents shall be compliant to IRDA prescribed dividend norms for investment.

Screening Partner:

NSE Indices Limited has contracted with Taqwaa Advisory and Shariah Investment Solutions (TASIS) to provide the Shariah screens and filter the stocks based on these screens.

Taqwaa Advisory and Shariah Investment Solutions (TASIS) is India's premier Shariah Advisory institution in the field of business and finance. For the last many years TASIS is at the forefront in providing shariah consultancy, monitoring and certification to many of India's reputed organizations, including those owned by the central and state government too. TASIS played a key role in promoting India's first shariah index and has now joined National Stock Exchange in providing shariah consultancy and screening services.

TASIS - Shariah Supervisory Board:

Mufti Abdul Kadir Barkatulla

Mufti Barkatulla is a prominent Islamic Sharia law expert with a background in economics and finance as well as social and Muslim Community work. He was trained extensively in Islamic and modern education systems in India and the UK. Mufti has contributed to the British Muslim community as an Imam, Shariah Judge, developer of Islamic Law information databases and Shariah Advisor of Islamic Banks and Funds in Europe and Asia. He is also Chairman of Board of Ulama of Halal Food Authority of UK. He has been commended by members of the British Parliament for his contributions to the Islamic Finance sector of UK.

Mufti Khalid Saifullah Rahmani

Mufti Khalid Saifullah Rahmani is General Secretary of Islamic Fiqh Academy, India and a founding member of All India Muslim Personal Law Board. He is founder Director of The Institute of Higher Learning in Islam, Hyderabad. He has written more than 100 books on a wide range of topics and

pioneered more than fifteen institutions of Islamic education, research and jurisprudence across the country. His wide reach and broad outlook have made him respectable across wide sections and sects of the Muslim community in India.

Dr Hafiz Mohammad Iqbal Nadvi

Dr. Nadvi has a doctorate in Islamic jurisprudence (Fiqh) from Ummul Qura University, Makkah, Saudi Arabia. He has been Asst. Professor at King Saud University Riyadh for six years. He has taught Shariah for two decades in various institutes. He is Resident Imam of Al Nadwa Institute, Toronto, Chairman of Canadian Council of Imam and Chairman of Shariah Board, Canada. For his expertise, Dr Nadvi has been invited by Harvard Law School, London School of Economics and many other prestigious institutions.

Shariah Screening Process:

Business Screening:

Activities which are not permitted under Shariah are those which involve engaging in interest earning businesses or in those businesses which are mostly harmful to human society and disallowed by Shariah. Thus, companies engaged in promoting promiscuity, violence, vulgarity and businesses affecting the environment are also considered Shariah non-compliant. Hence all companies which are primarily into the following activities are screened out on the business parameter.

- Conventional financial services such as banks, insurance companies, finance and investment companies, stock broking etc.
- Production, sale and marketing of food & beverages such as Pork, Alcohol, Tobacco and such other items etc.
- Companies involved in production or distribution of vulgar entertainment, such as film and other recreational activities where vulgarity, promiscuity is a part and parcel of the business undertaken / promoted
- Hotels and restaurants (providing products or entertainment not permitted under Shariah)
- Gambling, Narcotic drugs, etc.

Financial Screening:

Since interest-based transactions are prohibited by Shariah, companies passing the business screening stage are further screened to ensure that their dealings involving interest-based debt or earnings out of / deployment of funds on interest are within the maximum tolerance limits set by Shariah scholars. There are certain variations in these tolerance limits based on place and time. To remain on the conservative side from a Shariah adherence perspective, TASIS has adopted financial screening norms based on annual consolidated financials which are more conservative than those followed by its peers and also justified by empirical studies of the Indian environment. TASIS norms are given below:

- Interest based-debt should be less than or equal to 25% of Total Assets
- Interest income plus returns from interest-based investments should be less than or equal to 2.5% of the total income
- Receivables plus cash and bank balances should be less than or equal to 90% of Total Assets

Income Purification Ratio (IPR):

For full compliance with Shariah law, investors are required to purge the pro rata portion of interest income accrued on their holding of shares in a company.

Index Eligibility:

The underlying index constituents are screened for Shariah compliance. Only stocks that are compliant remain in the Shariah compliant indices.

Shariah Index	**Parent Index / underlying Index**
Nifty50 Shariah Index	Nifty 50 Index
Nifty500 Shariah Index	Nifty 500 Index

Each of the above two parent indices has its own eligibility criteria. For eligibility criteria for the underlying indices, please refer to the methodology document of Nifty 50 and Nifty broad market indices.

Nifty Shariah 25 - Eligibility Criteria:

- The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the Nifty indices.
- Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion in the Nifty indices.
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related **criteria**.
- The company's trading frequency should be at least 90% in the last six months
- The company should be Shariah compliant for last 24 months continuously
- At the time of index constituents, companies which are compliant to IRDA prescribed dividend norms for investment shall be considered eligible to be included in the index
- 25 stocks based on six month average free float market capitalization are selected as index base composition
- Shariah compliance screening is done on monthly basis and review of Nifty Shariah 25 index is undertaken semi-annually based on data for six months ending January and July.
- During monthly review, if any index constituent becomes non-Shariah compliant then, Shariah compliant non-index constituent from replacement pool will be included in the index
- During semi-annual review, replacement is made if any non-index Shariah compliant security with 1.5 times free float market capitalization is available in replacement pool than the last index constituent by free float market capitalization.
- If any index constituent is replaced due to corporate action such as de-merger etc. then, such company becomes eligible for index if it fulfils Shariah compliance norms for 12 months.

Constituent Capping:

Weights of each stock in Nifty50 Shariah and Nifty500 Shariah indices are calculated based on its free-float market capitalization such that no single stock shall be more than 33% and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing.

Each constituent in the Nifty Shariah 25 index is capped at 10%. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 10%. The

capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis and made effective from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than maximum capping limit. Weightage of such constituent may increase beyond maximum capping limit between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

32. Nifty CPSE

Nifty CPSE Index is constructed in order to facilitate Government of India's initiative to dis-invest some of its stake in selected CPSEs. The government opted for ETF route for disinvestment. The ETF shall track the performance of the Nifty CPSE index.

Selection Criteria:

The CPSEs selected meet below mentioned parameters:

1. Included in the list of CPSEs published by the Department of Public Enterprise
2. Listed at National Stock Exchange of India Ltd. (NSE)
3. Having more than 51% government holding (stake via Govt. of India or President of India) under promoter category.
4. Companies having average free float market capitalization of more than 1000 Cr. for six month period ending December 2019 are selected.
5. Companies which are IRDA dividend norms compliant shall be considered eligible to be included in the index.

Calculation Rules & Methodology:

Index Construction and Back-Testing:

1. The index has base date of 01-Jan-2009 and base value of 1000.
2. Back testing of the index is carried out since 01-Jan-2004.
3. Out of the CPSEs shortlisted for forming part of the index, CPSEs which got listed at NSE after 01-Jan-2004 are included in the index on the 1st trading day of next quarter of their listing.
4. Weights of constituents are capped at 25% on each rebalancing.

Daily Index Value Calculation:

1. Daily index calculation initiated effective February 10, 2014
2. The index is calculated on free float market capitalization methodology
3. Weights of index constituent shall be re-aligned (i.e. capped at 20%) on a quarterly basis and made effective from the last trading day of March, June, September and December

4. Additionally, at the time of quarterly rebalancing / change in index constituents, the weights of the constituents shall be re-aligned.
5. The index values are calculated on real-time basis
6. The total return values of the index are also computed on daily end of day basis
7. The index values shall be calculated on each day when capital market segment of National Stock Exchange is open for trading in equity shares

Constituent capping:

Weights of constituents of Nifty CPSE index are capped at 20% as explained hereunder:

1. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis, which will come into effect from the last trading day of March, June, September and December
2. In the event of weight realignment, capping factor will be calculated for all constituents whose uncapped weight is greater than 20%. In between aforementioned periods, the weight of constituents can go above 20% depending on the price movement

Index Maintenance:

Rebalancing

- Index will undergo a review (exclusion or replacement) in case of corporate actions such as merger, de-merger etc
- Revision in the index (change in eligibility criteria, inclusions, exclusions, capping etc.) shall be carried out upon formal request received from the CPSE ETF issuer AMC as appointed by the Ministry of Disinvestment

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

33. Nifty100 Liquid 15

Introduction

Nifty100 Liquid 15 Index is designed to provide exposure to the liquid stocks while making the index easily replicable and tradable. All the index constituents have derivatives traded on them. The maximum weight of a single stock is capped at 15%.

Eligible Securities:

Constituents of Nifty 100 index that are available for trading in NSE's Futures & Options segment are eligible for inclusion in the Nifty100 Liquid 15 index.

In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty100 Liquid 15 index would be considered as a child index as constituents of this index selected from a list of Nifty 100 index.

Index Review frequency:

The review of Nifty100 Liquid 15 is undertaken semi-annually based on data for six months ending January and July.

Eligibility Criteria

- The index shall have 15 stocks from the 100 stocks forming part of Nifty 100 and are individually eligible in the F&O segment as per the criteria stipulated by SEBI
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfillment of specified DVR related criteria
- For inclusion in the index the stock shall have turnover ratio (TRO) greater than 100% in majority of the last 6 months at time of review
- The free float market capitalization shall be average daily free float during the month of review
- The turnover ratio (TRO) shall be computed as under

$$\text{TRO} = \frac{\textit{AGGREGATE MONTHLY TURNOVER}}{\textit{AVERAGE FREE FLOAT DURING THE MONTH}} * 12$$

- The eligible companies are than ranked in descending order of the free float market capitalization and the top 15 companies are selected to form the base index.

Exclusion criteria

- If the stock's TRO is less than 100% in 3 out of 6 months then such stock shall be eligible for exclusion. The stock replacing it shall meet the inclusion criteria mentioned above
- A stock continuing to meet the inclusion criteria may still be excluded if any other stock meeting the inclusion criteria has 1.5 times free float market capitalization that of the existing stock in the index
- The total number of stocks which shall be replaced in a review shall be restricted to 2. If there are more than 2 stocks eligible for replacement then stock with lower free float market capitalisation shall be replaced first
- The review will take place on a semi-annual basis

Constituent Capping:

Each constituent in the index is capped at 15%. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 15%. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than 15%. Weightage of such constituent may increase beyond 15% between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3trading days (T-3) prior to the effective date (T day) of the changes.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

34. Nifty Midcap Liquid 15

Introduction

Nifty Midcap Liquid 15 Index is designed to provide investors exposure to the liquid midcap stocks while making the index easily replicable and tradable. All the index constituents have derivatives traded on them. The maximum weight of a single stock is capped at 15%.

Eligibility Criteria

The criteria for the Nifty Midcap Liquid 15 Index include the following:

- Constituents of Nifty Midcap 50 index that are available for trading in NSE's Futures & Options segment are eligible for inclusion in the Nifty Midcap Liquid 15 index
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty Midcap Liquide 15 index would be considered as a child index as constituents of this index selected from a list of Nifty Midcap 50 index
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related **criteria**
- Companies are selected on the parameter of Turnover ratio. The turnover ratio is calculated for each month. The companies with a turnover ratio of more than 100% in at least 3 of the last 6 months are considered for index construction
- The turnover ratio (TRO) shall be computed as under:

$$\text{TRO} = \frac{\textit{AGGREGATE MONTHLY TURNOVER}}{\textit{AVERAGE FREE FLOAT DURING THE MONTH}} * 12$$

- The eligible companies are than ranked in descending order of the free float market capitalization and the top 15 companies are selected to form the base index.
- The Base date for the Index is taken as 01-01-2009 and the base value is taken as 1000

Index Review

- The review of Nifty Midcap Liquid 15 index is undertaken semi-annually based on data for six months ending January and July

- The total number of stocks to be replaced during a review is capped at 4 stocks
- During the review, the index constituent is excluded if TRO is less than 100% in 3 out of the previous 6 months
- A stock continuing to meet the inclusion criteria may still be excluded if any other stock meeting the inclusion criteria has 1.5 times free float market capitalization that of the existing stock in the index
- However, if stocks are excluded from the F&O segment or Nifty Midcap 50 Index the restriction on number of stocks replaced may not be applicable

Constituent Capping:

Each constituent in the index is capped at 15%. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 15%. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than 15%. Weightage of such constituent may increase beyond 15% between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

35. Nifty ESG Indices

Nifty100 ESG Index
Nifty100 Enhanced ESG Index

Introduction

Environmental, Social and Governance based investment strategy has gained popularity among investors globally. The underlying drive behind ESG theme-based investing lies in generating superior risk adjusted returns from socially responsible, environment friendly and ethical firms. The construct of Nifty ESG indices (Nifty100 ESG index and Nifty100 Enhanced ESG index) results in portfolio with similar sector exposure vis-à-vis Nifty 100 (parent index), but with stock level ESG tilt. This results in portfolio with higher weightage towards companies with better ESG performance.

Highlights

- Designed to reflect the performance of companies that are part of Nifty 100 index, based on ESG score
- The companies that are involved in any major Environmental, Social or Governance controversy shall not be considered for selection in the index
- Companies engaged in the business of tobacco, alcohol, controversial weapons and gambling operations shall be excluded
- Weight of the index constituent is based on the combination of the ESG score and free-float market capitalisation
- The indices have a base date of April 01, 2011 and a base value of 1000

Methodology

Eligibility criteria

To form part of Nifty100 ESG Index and Nifty100 Enhanced ESG Index, stocks should qualify the following eligibility criteria(s). The ESG and controversy research is provided by NSE Sustainability Ratings & Analytics Limited (NSRAL).

Eligible Universe:

- Stock should form part of Nifty 100 at the time of index review
- Only ordinary equity shares will be considered

ESG Score:

ESG score measures the performance of the companies on Environmental, Social and Governance front. The companies are evaluated based on the Policy disclosures and three main factors viz Environmental, Social and Governance.

These scores are categorised into eight grades:

- A+ - 90 to 100 score
- A - 80 to 89.99 score
- B+ - 70 to 79.99 score
- B - 60 to 69.99 score
- B- - 50 to 59.99 score
- C+ - 40 to 49.99 score
- C - 20 to 39.99 score
- D - 0 to 19.99 score

The companies are assessed annually by NSRAL based on Business Responsibility & Sustainability Reports, but also on key disclosure requirement of Sustainability Reports and/or Integrated Reports (GRI/ IIRC), TCFD, etc. Additionally, companies are monitored on an ongoing basis for any controversy pertaining to ESG.

Stocks forming part/going to form part of the Nifty 100 index are eligible to be the part of the index subject to the following:

- Companies should have an ESG score at the time of review
- For Nifty100 Enhanced ESG Index, index companies with 'ESG score' lesser than 60, which are categorised as B-, C+, C and D grades shall be excluded

Controversy:

Companies with controversy score less than 70 shall be excluded

Business Involvement:

Companies engaged in the business of tobacco, alcohol, controversial weapons and gambling operations are excluded. Controversial Weapons include chemical weapons, biological weapons, anti-personnel mines and cluster bombs.

Reconstitution & Rebalancing criteria

- Index will be reconstituted semi-annually in June and December based on data for six months ending May and November respectively
- Stocks that meet the above eligibility criteria will be considered eligible
- Stocks that do not form part of Nifty 100 at the time of review are excluded
- An existing constituent is compulsorily excluded if it has controversy score less than 70
- Apart from the scheduled review, additional ad-hoc reconstitution and rebalancing of the index will be initiated, and no replacement (inclusion) will be made in case of
    - the index constituents ceases to form part of Nifty 100 due to suspension, delisting or scheme of arrangement
    - If controversy score of an index constituent falls below 70

Weight and Constituent Capping:

- Compute ESG Z Score as follows:

$$\text{ESG Z Score} = [x - \mu]/\sigma$$

Where;

x is the ESG score for the company

μ is the mean of the ESG scores in the parent index

σ is the std. deviation of the ESG scores in the parent index

- The Normalized ESG Score is calculated for each eligible stock from its ESG Z Score as:
    - Normalized ESG Score =

      (1+ ESG Z Score), if ESG Z Score >=0

      (ESG Z Score)^-1 if, ESG Z Score < 0

- Each constituent is tilt weighted by multiplying its Normalized ESG Score with the square root of its free float market capitalization as per the following formula:
    - Tilt-weighted Market Cap = Normalized ESG Score * SQRT(FF market capitalization)
- Sector and stock caps will be applied as follows:
    - Sector with weight >= 25% in the parent index will be capped in the ESG Indices at the same weight as that in the parent index
    - Sector with weight < 25% in the parent index, will be capped at 25% in the ESG Indices (in case of breach)
    - Constituent weight is capped at the lower of 8% or 5 times the weight of the stock in the index based only on free float market capitalization
- The weights may drift between rebalancing due to the movement in stock prices

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

Nifty100 ESG Sector Leaders Index

Introduction

Nifty100 ESG Sector Leaders Index aims to track the performance of select companies within each sectors of the Nifty 100 which have scored well on ESG and which do not have involvement in any major controversies.

Highlights

- The index tracks the performance of the stocks that are part of the Nifty 100 index and which have scored well on Environmental, Social and Governance
- The companies that are involved in any major Environmental, Social or Governance controversy shall not be considered for selection in the index
- Companies engaged in the business of tobacco, alcohol, controversial weapons and gambling operations shall be excluded
- Provides ~75% coverage of Free Float Market Cap of eligible stocks within each sector of Nifty 100
- Weight of the stock is based on free-float market capitalization with a maximum stock cap of 10%
- The index has a base date of January 01, 2014, with a base value of 1000

Methodology

Eligibility criteria

To form part of Nifty100 ESG Sector Leaders index, stocks should qualify the following eligibility criteria:

- All stocks forming part of Nifty100 at the time of review are eligible to be the part of this index (June and December)
- Only ordinary equity shares will be considered
- Companies with ESG score less than 60 which are categorised as B-, C+, C and D grades shall be excluded
- Companies with controversy score less than 70 shall be excluded
- Companies which derive 25% or more of their revenues from cigarettes, breweries, weapons, gambling, and nuclear power or any revenue from 'controversial weapons' subject to the company disclosures made under segment revenue break up in its annual report shall be excluded

Stock Selection Criteria:

- The stocks within the eligible universe are ranked in the descending order of their ESG score within their respective sectors[1]

- The stocks are then selected from the ranked universe until the 75% coverage by cumulative weight of six month average free-float market capitalisation of the eligible stocks within the sector[1] is reached

1.Banks and Non-Banks are considered as separate sectors for stock selection

Reconstitution & Rebalancing criteria

- The index is reconstituted semi-annually in June and December and made effective from the last trading day of June and December using the following data cut-off:
    - The stock selection is based on 6 month average free-float market capitalization ended May and November for the reconstitution in June and December respectively
    - The ESG score, controversy score and controversial business involvement exclusions should be based on latest available data at the time of review
- Stocks forming part of Nifty100 at the time of review are eligible to be the part of the universe
- Stocks with ESG score less than 60 are excluded
- Stocks with controversy score less than 70 are excluded
- Stocks which derive 25% or more of their revenue from cigarettes, breweries, weapons, gambling, and nuclear power, or any revenue from 'controversial weapons' are excluded
- Stocks that meet the above eligibility criteria will be considered eligible
- The following guidelines are used in order to achieve the target sector coverage of 75%
    - The eligible stocks are sorted in the following order within their respective sectors:
        - Stocks are sorted in the descending order of the ESG score
        - In case there are two stocks with equal ESG score, the stocks are then sorted such that existing constituent are at the top and new stocks at the bottom
        - Within the above, if there are two existing constituent or two new stocks with equal ESG score, stocks are then sorted based on their 6-month Average free-float market capitalization
    - Based on above sorting, the cumulative % free-float sector coverage is calculated
    - In each sector, the companies are selected until the cumulative sector coverage of the selected securities crosses 75% following the below guidelines,
        1. The company that increases the cumulative sector coverage above 75% is termed as ‘marginal company’
        2. If the marginal company is an existing index constituent, it is retained in the index
        3. If the marginal company is a new constituent, it will be included in the index:
            - Only if the cumulative weight of companies before the addition of marginal company is less than 70%

- If, the cumulative weight exceeds 75% after the addition of the marginal stock, such that the excess weight above 75% is lower than the earlier deficit below 75% (i.e. 75% minus the cumulative weight *before* including the marginal stock). For instance, if the cumulative weight of the stocks before the addition of marginal stock is 72.5% and on the addition of the marginal stock, the cumulative weight becomes 77%, the stock will be included in the index (as the excess weight of 2% is lower than the deficit of 2.5%). But if on the addition of marginal stock the weight becomes 78%, the new constituent will not be included in the index (as the excess weight of 3% is higher than the deficit of 2.5%)
- If there is only 1 eligible stock within the sector, it is included in the index

- Apart from the scheduled review, additional ad-hoc reconstitution and rebalancing of the index will be initiated with a notice of 5 trading days, and no replacement (inclusion) will be made in case of:
  - The index constituent ceases to form part of Nifty 100 due to suspension, delisting or scheme of arrangement
  - If the controversy score of an index constituent falls below 70

Weight and Constituent Capping:

- The weight of the stock in the index is calculated based on its free-float market-capitalisation subject to stock cap of 10%
- Capping will be done considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day). As a result of which the weight of the index constituents may be greater than their capping limits as on the effective date
- Index weight will be rebalanced on a semi-annual basis and implemented from the last trading day of June and December
- The weights may drift between the two rebalancing periods due to stock price movements

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

36. Nifty Corporate Group Indices

Nifty India Corporate Group Index - Aditya Birla Group
Nifty India Corporate Group Index - Mahindra Group
Nifty India Corporate Group Index - Tata Group

Introduction

The corporate group indices are designed to reflect performance of companies belonging to a particular corporate group. Globally index providers have developed indices on corporate groups and some of these indices also have Exchange Traded Funds (ETFs).

In India too, there are big corporate groups and some of the group companies are listed on National Stock Exchange of India (NSE). Various categories of market participants have invested in the companies forming part of these groups.

Indices on 3 corporate groups namely Tata Group, Aditya Birla Group and Mahindra Group have been developed by NSE Indices Limited and they are named as Nifty India Corporate Group Index - Aditya Birla Group index, Nifty India Corporate Group Index - Mahindra Group Index and Nifty India Corporate Group Index - Tata Group index. The indices will include all the listed companies of the respective groups.

Additional index series of Tata Group namely 'Nifty India Corporate Group Index - Tata Group 25% Cap' based on free float market capitalisation is also developed.

These indices serve variety of purposes such as benchmarking fund portfolios, launching of index funds, ETFs and structured products.

Index Construction & Review Methodology:

Calculation method:

Corporate Group indices namely **Nifty India Corporate Group Index - Aditya Birla Group**, **Nifty India Corporate Group Index - Mahindra Group** and **Nifty India Corporate Group Index - Tata Group** Indices are calculated using full market capitalisation method. This method is used to measure the total equity value of the companies in the respective group. The indices have a base date of April 01, 2005 and a base value of 1000

Initial Universe & security selection:

- All companies forming part of the respective corporate group that are domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible to form part of the respective index. DVR shares of eligible companies will also form part of the index.

Rebalancing & replacement rule:

- A new company which comes out with an IPO / new listing
- A company gone out of the index due to corporate actions such as scheme of arrangement/ demerger/acquisition, take-over etc.

will be screened for inclusion on quarterly basis (Jan-Apr-Jul-Oct end cycle) and if eligible, will get included in the index effective from the last trading day of March, June, September and December.

- Scrips will be excluded from the index in case of suspension or delisting or in case of corporate event such as scheme of arrangement / merger / acquisition/ demerger in accordance with guidelines governing demerger detailed separately

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

Nifty India Corporate Group Index - Tata Group 25% Cap

Introduction

The Nifty India Corporate Group Index - Tata Group 25% Cap Index consists of 10 Tata group companies listed at NSE that meet market capitalization and liquidity criteria.

Selection criteria

- Companies must rank within the top 800 companies by average full market capitalisation and average turnover for the last six months.
- Final selection of 10 companies shall be done based on free float market capitalisation

**The index is calculated on free float market capitalization basis since October 01, 2010; prior to which it was calculated on full market capitalization. Top 10 companies are selected based on full market capitalisation prior to October 01, 2010 and then based on free float market capitalisation.*

Constituent Capping:

Each constituent in the Nifty India Corporate Group Index - Tata Group 25% Cap index is capped at 25% and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 25%. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than 25%. Weightage of such constituent may increase beyond 25% between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3trading days (T-3) prior to the effective date (T day) of the changes.

Eligibility criteria:

- Index is rebalanced semi-annually based on data for six months ending January and July.
- A company which comes out with an IPO / new listing will be eligible for inclusion in the index after it fulfils the eligibility criteria for a 1 month period instead of a period of 6 months
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed one calendar month of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.
- Final selection of 10 companies shall be done based on free float market capitalisation
- Companies will be included if free-float market capitalisation is at least 1.50 times the free-float market capitalization of the smallest index constituent in the index
- Constituent will be excluded from the index if it is excluded from Nifty India Corporate Group Index - Tata Group Index. Such impacted security will be removed and replaced by the next higher ranked security (on the basis of free float market capitalization post fulfilling other eligibility criteria)

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

37. Nifty SME Emerge

Introduction

Small and Medium Enterprises (SME) plays a crucial role in growth of the Indian economy by producing diverse range of products & services and creating employment opportunities. 'Nifty SME EMERGE Index' is designed to reflect the performance of a portfolio of eligible small and medium enterprises that are listed on NSE EMERGE platform.

Highlights

- The index has a base date of December 01, 2016 and a base value of 1000
- The index captures the performance of select liquid SMEs listed on NSE EMERGE platform
- Constituents are weighted based on free float market capitalization
- Index is reconstituted on a quarterly basis

Methodology

Eligibility criteria

- To form part of the Nifty SME Index, stocks should qualify the following eligibility criteria:
    - Stocks should be listed under NSE EMERGE platform
    - At the time of quarterly review, stocks should have traded for a minimum of 25% of trading days subject to a minimum of 10 trading days during the previous 3 months
    - Minimum number of constituents in the index is 20. In case less than 20 stocks are available to form part of the index, the minimum trading frequency threshold of 25% is lowered by 1% at a time till minimum of 20 stocks are available to form part of the index

Reconstitution criteria

- Index shall be reconstituted quarterly based on data for three months ending February, May, August and November; where
    - 2 out of the 4 quarterly reviews are aligned with semi-annual review of Nifty broad market Indices, effective last trading day of March and September
    - Remaining 2 quarterly reviews shall be effective last trading day of June and December
- An existing index constituent is excluded if its trading frequency calculated using the method mentioned above falls below 10%
- Apart from scheduled reviews, additional ad-hoc reconstitution of the index shall be initiated in case any index constituent undergoes suspension/delisting/ scheme of arrangement or if they move to NSE Mainboard

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

38. Nifty REITs & InvITs

Introduction

Nifty REITs & InvITs index aims to track the performance of REITs and InvITs that are publicly listed and traded (listed and traded or not listed but permitted to trade) at the National Stock Exchange. The weights of the securities within the index are based on their free-float market capitalization subject to a security cap of 33% each and aggregate weight of top 3 securities is capped at 72%.

Highlights

- The index has a base date of July 01, 2019, with a base value of 1000
- All REITs and InvITs that are publicly listed or traded (listed and permitted to trade) at the National Stock Exchange are eligible for inclusion in the index
- The weight of each security in the index is based on its free float market capitalization
- The index is reconstituted and rebalanced on a quarterly basis

Methodology

Universe and eligibility criteria:

- Real Estate Investment Trusts (REITs) or Infrastructure Investment Trusts (InvITs) must be domiciled in India and listed and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange to be eligible for inclusion in the index
- Only publicly listed securities are eligible for inclusion
- Only securities that have a market lot size of 1 unit are eligible for inclusion
- Securities should have a minimum listing history of 1 month as on the cutoff date
- Securities should have a minimum trading frequency of 60% during the previous 3 months as on the cutoff date

Stock selection criteria:

- As on the base date of the index, all securities that are eligible based on the eligibility criteria are selected to be the part of the index

Weight and Constituent Capping:

- Weight of the securities are determined based on their free float market capitalization such that weight of each security within the index shall be capped at 33% and the aggregate weight of top 3 securities shall be capped 72% at the time of rebalancing on a quarterly basis in March, June, September and December
- The following capping limits are applied:
    - If the number of securities within the index is less than or equal to 3, the weight of the securities in the index are aligned equally
    - If the number of securities within the index is 4, the weight of the securities in the index is capped at 33%
    - If the number of securities within the index is greater than 4, then the weight of each security in the index is capped at 33% and the aggregate weight of the top 3 securities is capped at 72%
- The weight of securities may drift between two rebalancing periods due to movement in their prices

Reconstitution & Rebalancing criteria:

- Index reconstitution will be done on a quarterly basis in March, June, September, and December based on data for 3 months ending February, May, August and November respectively
- An existing index constituent is excluded if its trading frequency falls below 30%
- All eligible securities will be included in the index
- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

Nifty Strategy Indices

1. Nifty Dividend Opportunities 50

Introduction

The Nifty Dividend Opportunities 50 Index is designed to provide exposure to high yielding companies listed on NSE while meeting stability and tradability requirements. The index comprises of 50 companies. A key feature of the index is the methodology of selection of stocks i.e. the method employs a yield driven selection criteria that aims to maximize yield while providing stability and tradability.

The index is calculated using free float market capitalization methodology with a base date of October 1, 2007 indexed to a base value of 1000. At the time of quarterly rebalancing/ change in index constituents, the weightage of the index constituent (where applicable) is capped at 10%. Weightage of such stock may increase beyond 10% between the rebalancing periods

Index Construction & Review Methodology:

Index Review frequency:

The review of Nifty Dividend Opportunities 50 index is undertaken annually based on data for six months ending January.

Eligibility Criteria

- The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the Nifty indices
- Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion in the Nifty indices
- Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related **criteria**

- Companies must rank within the top 300 companies by average free-float market capitalisation and average daily turnover for the last six months
- The company's trading frequency should be at least 90% in the last six months
- The company should have a listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. would be considered eligible for inclusion in the index if as on the cut-off date for sourcing data of preceding six months for index reconstitution, a company has completed three calendar months of trading period after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index
- Companies must have reported net profit as per latest annual audited results
- A dividend yield of each company is calculated using total dividend amount in the last 12 months (calculated based on ex-dividend date) prior to the rebalancing reference date using average market capitalization for one-year period ending January
- Top 25 companies ranked by annual dividend yield will be compulsorily included in index and companies ranked below 75 by annual dividend yield will be compulsorily excluded from the index
- After making the selection as stated above, any shortfall in arriving at a list of 50 companies shall be filled by selecting companies based on higher annual dividend yield rank

Constituent Capping:

Each constituent in the index is capped at 10%. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 10%. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than 10%. Weightage of such constituent may increase beyond 10% between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

2. Nifty Dynamic Asset Allocation indices

Nifty 50 & Short Duration Debt – Dynamic P/E
Nifty 50 & Short Duration Debt – Dynamic P/B

Introduction

The Nifty Dynamic Asset Allocation Index series includes hybrid indices that track multiple asset-classes (namely equity and debt). The dynamic asset allocation model assigns weights between the two asset classes based on relative market valuation. The index series presently consists of 2 indices namely Nifty 50 & Short Duration Debt – Dynamic P/E Index and Nifty 50 & Short Duration Debt – Dynamic P/B Index.

Within Nifty 50 & Short Duration Debt – Dynamic P/E and Nifty 50 & Short Duration Debt – Dynamic P/B indices, asset allocation between equity and debt is done by a model that uses Price-Earnings ratio (P/E) or Price-Book ratio (P/B) of Nifty 50 index. While the allocation is primarily between equity and debt, in case the model prescribes allocation to equity that is lower than 65%, the equity arbitrage is used to maintain the equity allocation at 65%. Arbitrage is done by giving equal allocation to Nifty 50 TR index and Nifty 50 Futures index (short). In case arbitrage is used, 10% of the asset allocated to Nifty 50 Futures index (short) is additionally allocated to Nifty 1D Rate index (TREPS component) in order to capture the margin requirement.

Highlights

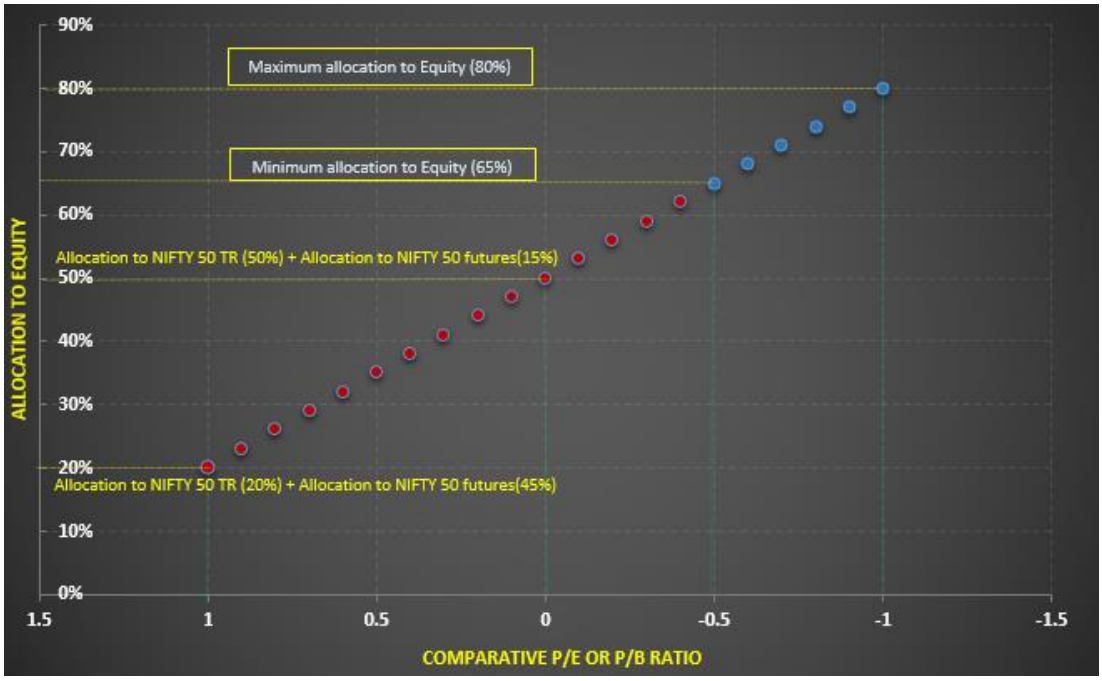
- The Indices have a base date of April 01, 2005 and base value of 1000
- Asset allocation is based on a model that compares current Price-Earnings ratio (P/E) or Price-Book ratio (P/B) with the average, maximum and minimum Price-Earnings ratio (P/E) or Price-Book ratio (P/B) of Nifty 50 in previous 7 years
- Maximum allocation to equity component is 80% and minimum allocation is 65% (including arbitrage)
- Maximum allocation to debt (including TREPS) component is 35% and minimum allocation is 20%
- In case arbitrage is used, 10% of the asset allocated to Nifty 50 Futures index (short) is allocated to Nifty 1D Rate index (TREPS)

- The asset allocation in the index is rebalanced on a monthly basis
- Weights of the equity, fixed income, TREPS and arbitrage component can drift between monthly reset dates due to underlying asset price movement

Methodology

- The Nifty Dynamic Asset Allocation Indices present consist of 2 indices namely
    - **Nifty 50 & Short Duration Debt – Dynamic P/E Index** where asset allocation is based on the comparison of Nifty 50 P/E with the average, maximum, minimum P/E of Nifty 50 in previous 7 years
    - **Nifty 50 & Short Duration Debt – Dynamic P/B Index** where asset allocation is based on the comparison of Nifty 50 P/B with the average, maximum, minimum P/B of Nifty 50 in previous 7 years
- For both indices, the assets are allocated among following components:
    - Equity component – Nifty 50 TR Index
    - Debt component - Nifty Short duration debt index
    - Arbitrage Component – Nifty 50 TR Index and Nifty 50 Futures index (short)
    - TREPS Component – Nifty 1D Rate Index

Exhibit 1: Allocation between equity and debt components depending on comparative ratio



Asset Allocation rules:

In case of Nifty 50 & Short Duration Debt – Dynamic P/E and Nifty 50 & Short Duration Debt – Dynamic P/B indices:

- Equity allocation (Nifty 50 TR) is determined by an asset allocation model which compares the current value of P/E or P/B of Nifty 50 with the average, maximum and minimum P/E or P/B of Nifty 50 in previous 7 years
- Maximum allocation to equity component is 80% and minimum allocation is 65%
- In case, the model prescribes an allocation to equity that is lower than 65%, the equity arbitrage is used to maintain the equity allocation at 65%. Arbitrage is done by giving equal allocation to Nifty 50 TR index and Nifty 50 Futures index (short)
- In case arbitrage is used, 10% of the asset allocated to Nifty 50 Futures index (short) is additionally allocated to Nifty 1D Rate index (TREPS component) in order to capture the margin requirement
- Remaining allocation is given to debt component (Nifty Short duration debt index), hence maximum allocation to debt (including TREPS) component is 35% and minimum allocation is 20%
- The asset allocation in the index is rebalanced on a monthly basis
- The month over month change in allocation to equity component (Nifty 50 TR, excluding arbitrage component) by asset allocation model at the time of rebalancing is capped at 10%

3. Nifty Growth Sectors 15

Introduction

Nifty Growth Sectors 15 Index is designed to provide investors exposure to the liquid stocks from sectors of market interest. The index is easily replicable and tradable. All the index constituents have derivatives traded on them. The weight of a single stock is capped at 15%.

Selection Criteria

The criteria for the Nifty Growth Sectors 15 Index include the following 2 steps:

1. Sector Selection:

Base Composition:

Sectors are selected based on P/E and P/B values of NSE Indices Limited (formerly known as India Index Services & Products Limited-IISL) sector indices, which are compared to Nifty 50. The yearly Average P/E and Average P/B values are compared with Nifty's yearly Average P/E and Average P/B values and if, out of the 4 observations, sector that have higher P/E and P/B in 3 out of 4 observations are shortlisted.

For the purpose of clarity, for 2 years period, there will be 4 observations (i.e. 2 yearly Average P/E numbers and 2 Average P/B numbers for each index). Out of 4 observations, sectors that have higher P/E and P/B in 3 out of 4 observations are selected.)

Stock Selection:

Base Composition:

- Securities having derivatives available on them, from selected sectors for base period (i.e. July-December 2008) are identified
- The securities are then ranked as per Free float market capitalization and top 50% of the securities are carried forward for further scrutiny
- The securities identified in step 2 are then ranked by EPS growth frequency
- Any security which had negative EPS for base review period of not considered
- Top 15 companies are selected as base composition

Index Review:

Stock review: (Periodicity: semi-annually)

- Once in six months, stocks are reviewed in order to find out the better replacement available from the selected sectors based on data for six months ending January and July.
- From selected sectors, securities on which derivatives are available and has positive EPS shall form part of replacement pool
- At the time of semi-annual review, replacement shall be made from the same sector with greater EPS growth frequency and greater free float market capitalization than the stock that is being replaced
- Further, replacement shall also be made from the same sector with same EPS growth frequency and free float market capitalization 1.5 times higher than the stock that is being replaced
- In case of scheme of arrangement or non-availability of F&O in any of the index constituent, a replacement shall be made from the list of stocks arranged in descending order of EPS growth frequency and free-float market capitalization within the same sector subject to minimum EPS growth frequency of 3
- In case of non-availability of stocks meeting the above requirement, replacement shall be made based on greater EPS growth frequency and free float market capitalization across all eligible sectors
- At the time of review, stocks meeting dividend norms specified by IRDA are considered eligible

Sector and stock review: (Periodicity: once in 2 years)

- Eligible sectors are screened once in 2 years in order to identify sectors which are of market interest. In case there are multiple indices of similar sector, only the one that represents large cap segment shall be considered. In case the multiple variants of same sector index, only the parent sector index shall be considered. Any sector indices which are sub-set of the other sector index, all such indices shall be considered.
- For 2 year period, there will be 4 observations (i.e. 2 yearly P/E numbers and 2 P/B numbers for each index). Out of 4 observations, sectors that have higher P/E and P/B in 3 out of 4 observations are selected for inclusion in index
- From selected sectors, securities having derivatives available are identified

- The securities are then ranked as per Free float market capitalization and top 50% of the securities are carried forward for further scrutiny
- Securities having positive EPS are only considered
- The remaining stocks after above step are then ranked in the descending order of EPS growth frequency and then free-float market capitalization. EPS growth frequency is measured as number of instances, a company would have reported positive quarter on quarter growth in preceding 4 quarters
- From the above list, include one stock each from the eligible sectors based on greater EPS growth frequency (subject to minimum EPS growth frequency of 3) and within same EPS growth frequency, based on free float market capitalization across all eligible sectors
- Remaining stocks shall be selected based on greater EPS growth frequency and within same EPS growth frequency, based on free float market capitalization across all eligible sectors
- Effective 3rd March 2014 at the time of review, stocks meeting dividend norms specified by IRDA are considered eligible

Constituent Capping:

Each constituent in the index is capped at 15%. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 15%. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than 15%. Weightage of such constituent may increase beyond 15% between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

4. Nifty Top 10 Equal Weight

Introduction

NSE Indices has developed the Nifty Top 10 Equal Weight Index which aims to track the performance of the top 10 stocks selected based on 6-month average free-float market capitalization from the Nifty 50.

Index Construction & Review Methodology:

Eligible Universe:

- Stocks forming part/going to form a part of the Nifty 50 shall be eligible to be a part of the index.

Stock selection criteria:

- Top 10 stocks are selected based on 6-month average free-float market capitalization from the eligible universe.

Stock weighing methodology:

- Each stock in the index is equally weighted on a quarterly basis from the last trading day of March, June, September and December
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Reconstitution and Rebalancing criteria:

- Index reconstitution will be done on a semi-annual basis in March and September along with the Nifty broad-based indices based on data for 6 months, ending in January and July respectively.
- Stocks forming part/going to be a part of the Nifty 50 are eligible to be a part of the index.
- Stocks that moved out of the Nifty 50 shall also move out of the Nifty Top 10 Equal Weight Index
- Non-member eligible stock shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent.

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes:
    1. Any corporate action (scheme of arrangement, delisting, etc.) or suspension by the exchange, etc.
    2. In case any of the index constituent is moved to the BZ series.

Further on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/Index funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

5. Nifty Top 15 Equal Weight

Introduction

NSE Indices has developed the Nifty Top 15 Equal Weight Index which aims to track the performance of the top 15 stocks selected based on 6-month average free-float market capitalization from the Nifty 50.

Index Construction & Review Methodology:

Eligible Universe:

- Stocks forming part/going to form a part of the Nifty 50 shall be eligible to be a part of the index.

Stock selection criteria:

- Top 15 stocks are selected based on 6-month average free-float market capitalization from the eligible universe.

Stock weighing methodology:

- Each stock in the index is equally weighted on a quarterly basis from the last trading day of March, June, September and December
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Reconstitution and Rebalancing criteria:

- Index reconstitution will be done on a semi-annual basis in March and September along with the Nifty broad-based indices based on data for 6 months, ending in January and July respectively.
- Stocks forming part/going to be a part of the Nifty 50 are eligible to be a part of the index.
- Stocks that moved out of the Nifty 50 shall also move out of the Nifty Top 15 Equal Weight Index
- Non-member eligible stock shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent.

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes:
    1. Any corporate action (scheme of arrangement, delisting, etc.) or suspension by the exchange, etc.
    2. In case any of the index constituent is moved to the BZ series.

Further on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/Index funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

6. Nifty Top 20 Equal Weight

Introduction

NSE Indices has developed the Nifty Top 20 Equal Weight Index which aims to track the performance of the top 20 stocks selected based on 6-month average free-float market capitalization from the Nifty 50.

Index Construction & Review Methodology:

Eligible Universe:

- Stocks forming part/going to form a part of the Nifty 50 shall be eligible to be a part of the index.

Stock selection criteria:

- Top 20 stocks are selected based on 6-month average free-float market capitalization from the eligible universe.

Stock weighing methodology:

- Each stock in the index is equally weighted on a quarterly basis from the last trading day of March, June, September and December
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Reconstitution and Rebalancing criteria:

- Index reconstitution will be done on a semi-annual basis in March and September along with the Nifty broad-based indices based on data for 6 months, ending in January and July respectively.
- Stocks forming part/going to be a part of the Nifty 50 are eligible to be a part of the index.
- Stocks that moved out of the Nifty 50 shall also move out of the Nifty Top 20 Equal Weight Index
- Non-member eligible stock shall be included if its free-float market capitalization is at least 1.5 times the free-float market capitalization of the smallest index constituent.

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes:
    1. Any corporate action (scheme of arrangement, delisting, etc.) or suspension by the exchange, etc.
    2. In case any of the index constituent is moved to the BZ series.

Further on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/Index funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

7. Nifty50 Equal Weight

Introduction

NSE Indices Limited (formerly known as India Index Services & Products Limited-IISL), a NSE group company provides a variety of indices and index related services and products for the Indian capital markets. The flagship 'Nifty 50' index is widely tracked and traded as the benchmark for Indian Capital Markets. The Nifty 50 is based on free float market capitalization methodology.

Nifty50 Equal Weight Index represents an alternative weighting strategy to its market capitalization based parent index, the Nifty 50 Index. The index includes the same companies as its parent index, however, weighted equally. The index aims to measure the performance of constituents forming part of the parent index, the Nifty 50 Index, where each company in the index will be assigned equal weights at the time of review. The index has a base date of November 03, 1995 and a base value of 1000.

Index Construction & Review Methodology:

Eligibility criteria

- All constituents forming part of Nifty 50 will form part of the Nifty50 Equal Weight Index
- Any change in composition of Nifty 50 will be incorporated in the index

Reconstitution & Rebalancing criteria

- Index will be reconstituted semi-annually based on January and July ending data along with the review of Nifty 50
- The replacement of stocks in Nifty 50 (if any) is implemented from the last trading day of March and September. In case of any replacement in the index, a four weeks' prior notice is given to the market participants
- Weightage of stocks in equal weighted indices are aligned equally at the time of change in the index composition in March and September
- Additionally, weightage will be aligned equally on a quarterly basis considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of changes and implemented from the last trading day of March, June, September and December after providing 3 trading days' prior notice
- Weights may drift between rebalancing due to movement in stock prices
- Apart from the scheduled review, additional ad-hoc reconstitution and rebalancing of the index will be initiated in case any of the index constituents ceases to form part of Nifty 50 due to suspension, delisting or scheme of arrangement

Constituent Weights:

- At each rebalancing and reconstitution, all the companies in the index are given equal weights.

$$w = \frac{1}{N}$$

Where, N = Number of companies in the index.

- In case there are multiple securities (e.g. DVR) of the same company in the index, the company will be equal weighted and the securities will be weighted in proportion to free float-adjusted market capitalization.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

8. Nifty100 Equal Weight

Introduction

The Nifty100 Equal Weight Index comprises of the constituents forming part of Nifty 100 Index (free float market capitalization based Index). The Nifty 100 tracks the behavior of combined portfolio of two indices viz. Nifty 50 and Nifty Next 50. It is a diversified 100 stock index.

The constituents of Nifty100 Equal Weight Index are assigned equal weight at each periodic re-balancing (quarterly re-balancing and semi-annual review) of the Index. Under this methodology, at the time of rebalancing every constituent would get an equal representation regardless of the size of each company in the Index. The base date of the index is January, 01 2003 (Same as Nifty 100 Index).

Index Construction & Review Methodology:

Eligibility criteria

- All constituents forming part of Nifty 50 and Nifty Next 50 (together constitutes Nifty 100) will form part of the Nifty100 Equal Weight Index
- Any change in composition of Nifty 100 will be incorporated in the index

Reconstitution & Rebalancing criteria

- Index will be reconstituted semi-annually based on January and July ending data along with the review of Nifty 100.
- The replacement of stocks in Nifty 100 (if any) is implemented from the last trading day of March and September. In case of any replacement arising out of scheduled review in the index, a four weeks' prior notice is given to the market participants
- Weightage of stocks in equal weighted indices are aligned equally at the time of change in the index composition in March and September
- Additionally, weightage will be aligned equally on a quarterly basis considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of changes and implemented from the last trading day of March, June, September and December after providing 3 trading days' prior notice

- Weights may drift between rebalancing due to movement in stock prices
- Apart from the scheduled review, additional ad-hoc reconstitution and rebalancing of the index will be initiated in case any of the index constituents ceases to form part of Nifty 100 due to suspension, delisting or scheme of arrangement

Constituent Weights:

- At each rebalancing and reconstitution, all the companies in the index are given equal weights

$$w = \frac{1}{N}$$

Where, N = Number of companies in the index.

- In case there are multiple securities (e.g. DVR) of the same company in the index, the company will be equal weighted and the securities will be weighted in proportion to free float-adjusted market capitalization

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

9. Nifty500 Equal Weight

Introduction

Nifty500 Equal Weight Index represents an alternative weighting strategy to its market capitalization-based parent index, the Nifty 500 Index. The index includes the same companies as its parent index, however, weighted equally. The index aims to measure the performance of constituents forming part of the parent index, the Nifty 500 Index, where each company in the index will be assigned equal weights at the time of rebalancing.

Index Construction & Review Methodology:

Eligibility criteria

- All constituents forming part/going to form part of the Nifty 500 will form part of the Nifty500 Equal Weight at all point in time

Reconstitution & Rebalancing criteria:

- Index will be reconstituted semi-annually based on January and July ending data along with the review of Nifty 500.
- The replacement of stocks in Nifty 500 (if any) is implemented from the last trading day of March and September.
- Weightage of stocks in equal weighted indices are aligned equally at the time of change in the index composition in March and September
- Additionally, weightage will be aligned equally on a quarterly basis and implemented from the last trading day of March, June, September, and December
- Weights may drift between rebalancing due to movement in stock prices
- Apart from the scheduled review, additional ad-hoc reconstitution and rebalancing of the index will be initiated in case any of the index constituents ceases to form part of Nifty 500 due to suspension, delisting or scheme of arrangement

Constituent Weights:

- At each rebalancing and reconstitution, all the companies in the index are given equal weights.

  $w = 1/N$,

  Where N= Number of companies in the index
- In case there are multiple securities (e.g. DVR) of the same company in the index, the company will be equal weighted and the securities will be weighted in proportion to free float-adjusted market capitalization

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

10. Nifty Alpha 50

Introduction

The index aims to measure the performance of securities listed on NSE with high Alphas. In order to make the 50 stocks index investible and replicable, criteria such as turnover and market capitalization are applied while selection of securities. Weights of securities in the index are assigned based on the alpha values. Security with highest alpha in the index gets highest weight.

Index Construction & Review Methodology:

Calculation Methodology

The index is constructed using divisor methodology where weights are assigned based on alpha values of the securities.

Index Review frequency:

The review of Nifty Alpha 50 index is undertaken on quarterly basis using data of six month period ending last trading day of February, May, August and November.

Selection Criteria

1. The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the Nifty indices
2. Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion in the Nifty indices
3. Companies must rank within the top 300 companies by average free-float market capitalization and average daily turnover for the last six months ending February, May, August and November
4. The company should have a listing history of 1 year
5. At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed twelve calendar months of

trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

6. The company's trading frequency should be 100% in the last one-year period
7. Alphas of eligible securities are calculated using 1-year trailing prices (Adjusted for corporate actions) and ranked in descending order
8. Top 50 securities with highest alphas form part of the index
9. In order to reduce the replacements of scrips in the index, a buffer of 100% shall be applied at the time of each review. This means that if the existing constituent at the time of the review ranks within the top 100, the same can be retained in the index
10. Scrips having negative alpha are not considered for selection. However, an existing constituent having negative alpha would be retained in the index if no scrip having a positive alpha forms part of the eligible pool

Constituent Selection:

Alpha of eligible securities are calculated using 1-year trailing prices (Adjusted for corporate actions). The eligible securities are then ranked in descending order of Alpha values. Top 50 companies based on alpha rankings form part of the index. In order to reduce the replacements of scrips in the index, a buffer of 100% shall be applied at the time of each review.

Constituent weighting:

At each rebalancing of Alpha index, the weight (w), for each index constituent (i) is set proportional to its alpha:

$$w_i = \frac{\text{Alpha}i}{\sum_{i=1}^{N} \text{Alpha}i}$$

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

11. Nifty High Beta 50

Introduction:

The index aims to measure the performance of the stocks listed on NSE that have High Beta. Beta can be referred to as a measure of the sensitivity of stock returns to market returns. The market is represented by the performance of the Nifty 50 index. In order to make the 50 stocks index investible and replicable, criteria such as turnover and market capitalization are applied while selection of securities. Weights of securities in the index are assigned based on the beta values. Security with highest beta in the index gets the highest weight.

Index Construction & Review Methodology:

Calculation Methodology

The index is constructed using divisor methodology where weights are assigned based on beta values of the securities.

Index Review frequency:

The review of Nifty High Beta 50 index is undertaken on quarterly basis using data of six month period ending last trading day of February, May, August and November.

Selection Criteria

1. The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the Nifty indices
2. Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion in the Nifty indices
3. Companies must rank within the top 300 companies by average free-float market capitalization and average daily turnover for the last six months ending February, May, August and November
4. The company should have a listing history of 1 year
5. At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is

considered eligible for inclusion in the index if company has completed twelve calendar months of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

6. The company's trading frequency should be 100% in the last one-year period
7. Beta of eligible securities is calculated using 1-year trailing prices (Adjusted for corporate actions) are ranked in descending order
8. Top 50 securities with high beta form part of the index
9. In order to reduce the replacements of scrips in the index, a buffer of 100% shall be applied at the time of each review. This means that if the existing constituent at the time of the review ranks within the top 100, the same can be retained in the index
10. Securities having beta greater than 1 will be selected to form part of the index at each review. In case this criterion is not fulfilled, scrip with highest beta in replacement pool will be considered for selection

Constituent Selection:

Beta of eligible securities is calculated using 1-year trailing prices (Adjusted for corporate actions). The eligible securities are then ranked in descending order of beta values. Top 50 companies based on beta rankings form part of the index. In order to reduce the replacements of scrips in the index, a buffer of 100% shall be applied at the time of each review.

Constituent weighting:

At each rebalancing, the weight 'w' for each index constituent 'i' is reset based on its Beta. Constituent with the highest Beta in the index gets the highest weight.

$$w\,i = \frac{\text{Beta i}}{\sum_{\text{i}=1} \text{Beta}}$$

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

12. Nifty Low Volatility 50

Introduction:

The index aims to measure the performance of the least volatile securities listed on NSE. In order to make the 50 stocks index investible and replicable, criteria such as turnover and market capitalization are applied while selection of securities.

Weights of securities in the index are assigned based on the volatility values. Least volatile security in the index gets the highest weight. In order to derive the volatility of the securities, standard deviation of daily price returns (log normal) for last one year is considered.

Index Construction & Review Methodology:

Calculation Methodology

The index is constructed using divisor methodology where weights are assigned based on volatility values of the securities.

Index Review frequency:

The review of Nifty Low Volatility 50 index is undertaken on quarterly basis using data of six month period ending last trading day of February, May, August and November.

Selection Criteria

1. The company must be domiciled in India and traded (listed & traded and not listed but permitted to trade) at the National Stock Exchange (NSE) are eligible for inclusion in the Nifty indices
2. Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return, stocks under suspension and stocks categorized under BZ series are not eligible for inclusion in the Nifty indices
3. Companies must rank within the top 300 companies by average free-float market capitalization and average daily turnover for the last six months ending February, May, August and November
4. The company should have a listing history of 1 year
5. At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed twelve calendar

months of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

6. The company's trading frequency should be 100% in the last one-year period
7. The company should have a positive net worth as per the latest annual audited results
8. Volatility of eligible securities are calculated using 1-year trailing prices (Adjusted for corporate actions) are ranked in ascending order
9. Top 50 securities with least volatility form part of the index
10. In order to reduce the replacements of scrips in the index, a buffer of 100% shall be applied at the time of each review. This means that if the existing constituent at the time of the review ranks within the top 100, the same can be retained in the index

Constituent Selection:

Volatility of eligible securities shall be calculated using 1-year trailing prices (Adjusted for corporate actions). The eligible securities are then ranked in ascending order of volatility values. Top 50 companies based on volatility rankings form part of the index. In order to reduce the replacements of scrips in the index, a buffer of 100% shall be applied at the time of each review.

Constituent weighting:

At each rebalancing, the weight 'W' for each index constituent 'i' is reset based on its volatility. Least volatile constituent in the index gets the highest weight.

$$w_i = \frac{\frac{1}{Volatility_i}}{\sum_{i=1}^{N} \frac{1}{Volatility}}$$

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

13. Nifty100 Alpha 30

Introduction:

The Nifty100 Alpha 30 index consists of 30 companies from its parent Nifty 100 index, selected based on their 'alpha' scores. The alpha score for each company is determined based on Jensen's alpha computed using 1-year trailing prices.

Index Construction & Review Methodology:

Index Review frequency:

The review of Nifty100 Alpha 30 index is undertaken on quarterly basis using data of six month period ending last trading day of February, May, August and November.

Selection criteria

To form part of Nifty100 Alpha 30 Index, stocks should qualify the following eligibility criteria(s):

- Stocks should form part of Nifty 100 index at the time of review
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty100 Alpha 30 index would be considered as a child index as constituents of this index is selected from a list of Nifty 100 index
- Constituents should have a minimum listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. would be considered eligible for inclusion in the index if as on the cut-off date for sourcing data of preceding twelve months for index reconstitution, a company has completed twelve calendar months of trading period after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index
- For each eligible stock, Jensen's Alpha is computed using 1-year trailing price (adjusted for corporate actions)
- Only stock's having positive Jensen's Alpha are then ranked in descending order of Alpha values
- Top 30 companies based on alpha rankings form part of the index

Constituent Weights and Capping:

- Weight of the stock in the index is derived by multiplying the square root of free float market cap with the alpha score of that stock

Calculation of alpha score:

Z score for Alpha of each selected security is calculated as per following formula

$$(x - \mu)/ \sigma$$

Where;
x is Jensen's Alpha of the stock
μ is mean value of the Jensen's Alpha in the eligible universe
σ is std. deviation of Jensen's Alpha in the eligible universe

Alpha score is calculated for all the selected security from the Z score as

Alpha Score = (1+Z score) if Average Z score >0
(1- Z score)^-1 if Average Z score < 0

- Each stock in the index is capped at the lower of 8% or 5 times the weight of the stock in the index based only on free float market capitalization
- Each Sector in the index is capped at 25%
- Capping will be done quarterly at the time of rebalancing

Rebalancing

- The replacement of stocks in the index (if any) is generally implemented from the last trading day of March, June, September and December
- Stocks that do not qualify the eligibility criteria mentioned above will be compulsorily excluded from the index and replaced with non-member eligible stocks
- Top 15 ranked stocks on the basis of Jensen's Alpha are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 45 are compulsorily excluded from the index
- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement

Calculation Frequency:

The index is calculated on an end of day basis for all days National Stock Exchange of India is open for trading in equity shares.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

14. Nifty200 Alpha 30

Introduction:

Nifty200 Alpha 30 index which consists of 30 stocks selected from its parent Nifty 200 based on 'Jensen's Alpha'. Stock weights are based on their alpha scores. The alpha score for each company is determined based on Jensen's alpha computed using 1-year trailing prices.

The salient features of this index are:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks from Nifty 200 index at the time of review are eligible for inclusion in the index
- Stock should be available for trading in derivative segment (F&O) as on the effective date
- 30 stocks are selected based on the Jensen's Alpha
- The weight of stocks in the index is based on their alpha scores
- Stock weights are capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- The index is reconstituted on a quarterly basis

Index Construction & Review Methodology:

Universe and eligibility criteria:

- Stocks forming part / going to be a part of the Nifty 200 index at the time of review
- Constituents should have a minimum listing history of 1 year as on the cut-off date
- Stock should be available for trading in derivative segment (F&O) as on the effective date

Stock selection criteria:

- For each eligible stock, Jensen's Alpha is computed using 1-year trailing price (adjusted for corporate actions)
- Stocks having positive Jensen's Alpha would form part of eligible universe
- Top 30 stocks with highest Jensen's Alpha would be selected to be the part of the index

Weight and Constituent Capping:

- Weight of the stock in the index is based on its alpha score.

Calculation of alpha score:

Z score for Alpha of each selected stocks is calculated as per the following formula

$$(x - \mu)/ \sigma$$

Where;

x is Jensen's Alpha of the stock

μ is mean value of Jensen's Alpha in the eligible universe

σ is std. deviation of Jensen's Alpha in the eligible universe

Alpha score is calculated for all the selected stocks from its Z score as per the following formula:

Alpha Score = (1+ Z score) if Z score >0

(1- Z score)^-1 if Z score < 0

- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Weight of the index constituents is capped quarterly in March, June, September and December

Rebalancing and reconstitution

- Index will be reconstituted quarterly in March, June, September and December using trailing 1 year price (adjusted for corporate actions) for the period ending last trading day of February, May, August and November respectively
- Stocks that move out of the Nifty 200 shall also move out of the Nifty200 Alpha 30 Index at the time of the subsequent review of the Nifty200 Alpha 30 Index
- If the rank of the stocks based on the Jensen's Alpha within the existing index portfolio goes beyond 45 such stocks shall be compulsorily excluded, and they will be replaced by next best stocks within the eligible universe
- From the eligible universe, top 15 ranked stocks based on the Jensen's Alpha that are already not part of the index shall be compulsorily included in the index replacing the lowest Jensen's Alpha stocks from the existing portfolio
- In case the number of stocks within the eligible universe is less than 30, the deficit number of stocks would be selected from the existing stocks with least negative Jensen's Alpha

- Apart from the scheduled quarterly review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 200 due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc. and would be made effective along with the ad-hoc reconstitution of the Nifty 200
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms

15. Nifty100 Low Volatility 30

Introduction:

Nifty100 Low Volatility 30 Index aims to measure the performance of the low volatile securities in the large market capitalisation segment. The selection of securities and its weights in Nifty100 Low Volatility 30 are based on volatility.

Index Construction & Review Methodology:

Eligible Universe:

- The securities forming part of Nifty 100 are eligible for inclusion in the index
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty100 Low Volatility 30 index would be considered as a child index as constituents of this index selected from a list of Nifty 100 index
- Securities should have a minimum listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. would be considered eligible for inclusion in the index if as on the cut-off date for sourcing data of preceding twelve months for index reconstitution, a company has completed twelve calendar months of trading period after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index

- Securities should be available for trading in derivative segment (F&O)
- DVR shares are not eligible for inclusion in the index

Selection Criteria:

- Stocks are assessed on the basis of volatility for index inclusion
- Volatility is calculated as the standard deviation of daily price returns (log normal) for last one year
- Eligible stocks are then ranked based on their volatility score, with stock having lowest volatility getting a rank of 1
- Top 30 ranked stocks with least volatility form part of the index

Rebalancing

The index is reconstituted on a quarterly basis using data of six month period ending last trading day of February, May, August and November. Volatility is calculated using closing prices of last one-year (adjusted for corporate actions) period ending last trading day of February, May, August and November for each review respectively.

At time of review, if the existing constituent of the index is ranked within top 60 based on the low volatility score, then the stock is retained in the index. Stocks based on lowest volatility rank gets included in the index, depending on the number of exclusions from the index due to above rule.

Constituent Weights:

- In the first step, weight of the constituents are calculated based on the volatility

$$w = \frac{\frac{1}{Volatility}}{\sum_1^n \frac{1}{Volatility}}$$

- Weight of the stocks, having 6-month average turnover less than the stock with the lowest 6 month average turnover in Nifty 50 Index, are capped at 3%. The excess weight is distributed among the non-capped stocks in the proportion of their low volatility weights
- Weights of constituents are capped during the quarterly review. The weights of the constituent can change between the rebalancing periods due to the change in stock prices

- Quarterly rebalancing of weights is carried out considering the closing prices of the index constituents 3 trading days prior to the effective date of the changes

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

16. Nifty200 Momentum 30

Introduction

Nifty200 Momentum 30 Index which aims to track the performance of the top 30 companies within the Nifty 200 selected based on their Normalized Momentum Score. The Normalized Momentum Score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. Stock weights are based on a combination of the stock's Normalized Momentum Score and its free-float market capitalization.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- The index tracks the performance of the stocks that are part of the Nifty 200 index, and have high Normalized Momentum Scores
- The Normalized Momentum Score is based on 6-month and 12-month price return, adjusted for volatility
- The weight of each stock is based on the factor tilt methodology – the weight is derived by multiplying the free float market cap with the Normalized Momentum Score of that stock
- Stock weights are capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- A buffer based on Normalized Momentum Score ranks is applied to reduce turnover

Index Construction & Review Methodology:

Eligibility criteria

- Stocks forming part / going to be a part of the Nifty 200 index at the time of review
- Constituents should have a minimum listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. would be considered eligible for inclusion in the index if as on the cut-off date for sourcing data of preceding twelve months for index reconstitution, a company has completed twelve calendar months of trading period after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index

- Stock should be available for trading in derivative segment (F&O) as on the effective date

Stock selection criteria:

Stocks shortlisted based on above mentioned criteria are further analysed as:

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum and 12-month momentum
  - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

    - 12 month Momentum Ratio (MR_{12}) = 12 month Price return / σ_p
      - 12 month price return (12 M return): [Price (M-1)/Price (M-13)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month

      - Std.Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

    - 6 month Momentum Ratio (MR_6) = 6 month Price return / σ_p
      - 6 month price return (6 M return): [Price (M-1)/Price (M-7)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month

      - Std.Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

  - Z Score of the Momentum Ratio for each security is calculated:
    - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

      $[MR_{12} – \mu_{MR,12}]/ \sigma_{MR,12}$

      Where;
      MR_{12} is the 12 month Momentum Ratio of the stock
      $\mu_{MR,\ 12}$ is the mean of the 12 month Momentum Ratios of the eligible universe
      $\sigma_{MR,12}$ is the std. deviation of the 12 month Momentum Ratios of the eligible universe

    - Similarly, the 6 month Momentum Z score for each stock is calculated as per the following formula:

      $[MR_6 – \mu_{MR,6}]/ \sigma_{MR,6}$

Where;

MR_6 is the 6 month Momentum Ratio of the stock

$\mu_{MR,6}$ is the mean of the 6 month Momentum Ratios in the eligible universe

$\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible universe

- The Weighted Average Z score is calculated for each eligible stock as per the following formula:
    - Weighted Average Z Score = 50% * (12 month Momentum Z Score) + 50% * (6 month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
    - Normalized Momentum Score = (1+ Wgt. Average Z score) if Wgt. Average Z score >=0

      (1- Weighted Average Z score)^-1 if Wgt. Average Z score < 0

- The top 30 stocks with the highest Normalized Momentum Score are selected

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the free float market cap with the Normalized Momentum Score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Reconstitution

- Index rebalancing will be done on a semi-annual basis in June and December
- Stocks that move out of the Nifty 200 shall also move out of the Nifty200 Momentum 30 Index at the time of the review of the Nifty200 Momentum 30 Index
- From the eligible universe defined above, the top 15 ranked stocks on their Normalized Momentum Score are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 45 are compulsorily excluded from the index

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 200 due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

17. Nifty Midcap150 Momentum 50

Introduction

Nifty Midcap150 Momentum 50 Index aims to track the performance of the top 50 companies within the Nifty Midcap 150 selected based on their Normalized Momentum Score. The Normalized Momentum Score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. Stock weights are based on a combination of the stock's Normalized Momentum Score and its free-float market capitalization.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty Midcap 150 at the time of review are eligible for inclusion in the index subject to the following:
    - Non-F&O stocks within Nifty Midcap 150 hitting the circuit filter more than or equal to 20% of the trading days in past 6 months as on cutoff date are ineligible for inclusion in the index
- 50 stocks are selected based on high Normalized Momentum Score
- The weight of each stock is based on the factor tilt methodology – the weight is derived by multiplying the free float market cap with the Normalized Momentum Score of that stock
- Stock weights are capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- A buffer based on Normalized Momentum Score ranks is applied to reduce turnover
- The index is reconstituted semi-annually in June & December

Index Construction & Review Methodology:

Eligible Universe:

- Stocks forming part / going to be a part of the Nifty Midcap 150 index at the time of review subject to the following:
    - Constituents should have a minimum listing history of 1 year
    - Non - F&O stocks within Nifty Midcap 150 are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

*An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.

Stock selection criteria

- Top 50 stocks with the highest Normalized Momentum Score are selected to be the part of the index

Normalised Momentum Score is calculated for each stock using the following approach:

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum ratio and 12-month momentum ratio
    - Momentum Ratio for a stock is calculated as:

$Momentum\ Ratio = (Price\ Return)/\sigma_p$

- 12-month Momentum Ratio (MR_{12}) = 12-month Price return / σ_p
    - 12-month price return (12 M return): [Price (M-1)/Price (M-13)]-1

      Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month
    - Std.Deviation (σ_p): Annualised standard deviation of lognormal daily returns of the stock for 1 year

- 6-month Momentum Ratio (MR_6) = 6-month Price return / σ_p
    - 6-month price return (6 M return): [Price (M-1)/Price (M-7)]-1

      Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month
    - Std.Deviation (σ_p): Annualised standard deviation of lognormal daily returns of the stock for 1 year

- Z Score of the Momentum Ratio for each security is calculated:
    - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

      $[MR_{12} - \mu_{MR,12}]/ \sigma_{MR,12}$

Where;

MR_{12} is the 12-month Momentum Ratio of the stock

$\mu_{MR,\ 12}$ is the mean of the 12-month Momentum Ratios of the eligible universe

$\sigma_{MR,12}$ is the std. deviation of the 12-month Momentum Ratios of the eligible universe

- Similarly, the 6-month Momentum Z score for each stock is calculated as per the following formula:

$$[MR_6 - \mu_{MR,6}]/\ \sigma_{MR,6}$$

Where;

MR_6 is the 6-month Momentum Ratio of the stock

$\mu_{MR,\ 6}$ is the mean of the 6-month Momentum Ratios in the eligible universe

$\sigma_{MR,6}$ is the std. deviation of the 6-month Momentum Ratios in the eligible universe

- The Weighted Average Z score is calculated for each eligible stock as per the following formula:
  - Weighted Average Z Score = 50% * (12-month Momentum Z Score) + 50% * (6-month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
  - Normalized Momentum Score =
    (1+ Weighted Average Z score) if Weighted Average Z score >=0
    (1- Weighted Average Z score) ^-1 if Weighted Average Z score < 0

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the free float market cap with the Normalized Momentum Score of that stock

- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping is done on a semi-annual basis at the time of rebalancing

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November
- Stocks that moved out of the Nifty Midcap 150 shall also move out of the index at the time of the subsequent review of the Nifty Midcap150 Momentum 50 Index
- If the rank of the eligible stocks within the existing index based on Normalized Momentum score is within top 75 such stocks would continue to form part of the index
- From the eligible universe, top 25 ranked stocks based on the Normalized Momentum score that are already not part of the index shall be compulsorily included in the index replacing the stocks with lowest Normalized Momentum score from the existing portfolio
- If the rank of the stocks within the existing index based on the Normalized Momentum score goes beyond 75 such stocks shall be compulsorily excluded, and they will be replaced by next best stocks within the eligible universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty Midcap 150 due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

18. Nifty500 Flexicap Quality 30

Introduction

Nifty500 Flexicap Quality 30 Index aims to track the performance of top 10 stocks from each of the Nifty100 Quality 30 (Large cap segment universe), Nifty Midcap150 Quality 50 (Mid cap segment universe) and Nifty Smallcap250 Quality 50 (Small cap segment universe) indices, selected based on their six-month average free-float market capitalization.

Highlights

- The index has a base date of October 01, 2009, with a base value of 1000
- Stocks forming part of each segment universe at the time of review are eligible for inclusion in the index
- 10 stocks from each segment universe based on free-float market capitalization are selected to be part of the index
- The overall weight allocation between the large cap segment and mid-small cap segment is based on the trend of MS/L ratio (Mid-Small to Large ratio) and its 200 day Moving Average
- The Index is reconstituted semi-annually and rebalanced quarterly
- Each stock within the segment is weighted equally

Index Construction & Review Methodology:

Universe:

- All stocks forming part/going to form part of Nifty100 Quality 30, Nifty Midcap150 Quality 50 and Nifty Smallcap250 Quality 50 indices at the time of the review

Segment Universe:

1. Large cap segment universe: stocks forming part of the Nifty100 Quality 30
2. Mid cap segment universe: stocks forming part of the Nifty Midcap150 Quality 50
3. Small cap segment universe: stocks forming part of the Nifty Smallcap250 Quality 50

Stock selection criteria:

- Top 10 stocks based on 6-month average free-float market capitalization from each of the segment universe

Weights and Capping:

- Weight allocation to each segment is determined by the trend of Mid-Small to Large ratio (MS/L ratio).
  The MS/L ratio is calculated as:

$$\text{MS/L ratio} = \frac{Daily\ Price\ return\ Index\ values\ of\ Nifty\ MidSmallcap\ 400}{Daily\ Price\ return\ index\ values\ of\ Nifty\ 100}$$

  Weight allocation to each segment is as follows:

  - If the current MS/L ratio (as of the rebalancing date) is higher or equal to its 200 (trading day) moving average of MS/L ratio, allocate 2/3rd weight to the stocks belonging to the mid and small segment and remaining 1/3rd weight to stocks belonging to the large cap segment
  - If the current MS/L ratio (as of the rebalancing date) is lower than its 200 (trading day) moving average, allocate 1/3rd weight to the stocks belonging to the mid and small segment and remaining 2/3rd weight to stocks belonging to the large cap segment

- Each stock within the segment is weighted equally
- The index shall be rebalanced on a quarterly basis on the last trading day of March, June, September, and December
- The weight of the segment and stocks may drift between two rebalancing periods due to the movement in stock prices

Index rebalancing & reconstitution:

- Index reconstitution will be done on a semi-annual basis in June and December based on data for 6 months, ending in May and November respectively.
- Stocks that moved out of the segment universe shall also move out of the index at the time of the review of the Nifty500 Flexicap Quality 30 index
- Companies will be included if free-float market capitalization is at least 1.5 times the free float market capitalization of the smallest index constituent in the respective segment universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from segment universe due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.

- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

19. Nifty500 Low Volatility 50

Introduction

Nifty500 Low Volatility 50 Index aims to track the performance of the top 50 stocks within Nifty 500 which are selected based on their low volatility scores. Low Volatility is calculated as the inverse of standard deviation based on the previous 1-year price returns (log normal). Stock weights are based on a combination of the stock's low volatility score and its free-float market capitalization.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks forming part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- 50 stocks from Nifty 500 based on low volatility scores are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's low volatility score and its free float market capitalization.
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty 500 index at the time of review

Eligible Universe:

- Each stock within the universe is eligible to be the part of the index subject to following:
    - Constituents should have a minimum listing history of 1 year
    - A non-member stock which is not available for trading in F&O segment within the universe are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

      **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*

- Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on 6 month average daily turnover within the universe are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on Turnover ratio within the universe are ineligible for inclusion in the index

Stock selection criteria:

- For each eligible stock, volatility is computed using 1 year trailing price (adjusted for corporate actions)
- Low Volatility is calculated as the inverse of standard deviation based on the previous 1 year price returns (log normal)
- Top 50 ranked stocks with low volatility are selected to be a part of the index

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the free float market cap with low volatility score of that stock
- Calculation of Low volatility score:

  Z score for Low Volatility of each selected stock is calculated as per the following formula

  $$(x - \mu)/ \sigma$$

  Where,

  x is low volatility of the stock (inverse of std. deviation based on the previous 1 year price returns)

  μ is mean value of the low volatility in the eligible universe

  σ is std. deviation of low volatility in the eligible universe

  Low Volatility score is calculated for all the selected security from the Z score as:

  Low Volatility Score = (1+Z score) if Average Z score >0

  (1- Z score)^-1 if Average Z score < 0

- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of the subsequent review of the Nifty500 Low Volatility 50 index
- If the rank of the eligible stocks within the existing index based on low volatility score is within top 75, then such stocks would continue to form part of the index
- From the eligible universe top 25 ranked stocks based on the low volatility score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest ranks based on their low volatility score from the existing portfolio.
- If the rank of the stocks within the existing index based on the low volatility score goes beyond 75, then such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the low volatility score
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

20. Nifty500 Momentum 50

Introduction

Nifty500 Momentum 50 Index aims to track the performance of the top 50 companies within the Nifty 500 selected based on their Normalized Momentum Score. The Normalized Momentum Score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. Stock weights are based on a combination of the stock's Normalized Momentum Score and its free-float market capitalization.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- The index tracks the performance of stocks that are a part of the Nifty 500 index and have high Normalized Momentum Scores
- The Normalized Momentum Score is based on 6-month and 12-month price return, adjusted for volatility
- The weight of each stock is based on the factor tilt methodology – the weight is derived by multiplying the free float market cap with the Normalized Momentum Score of that stock
- Stock weights are capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- A buffer based on Normalized Momentum Score ranks is applied to reduce turnover
- The index is reconstituted semi-annually in June & December

Index Construction & Review Methodology:

Eligible Universe:

- Each stock within the universe is eligible to be the part of the index subject to following:
  - Constituents should have a minimum listing history of 1 year
  - A non-member stock which is not available for trading in F&O segment within the universe are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

*An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.

- Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on 6 month average daily turnover within the universe are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on Turnover ratio within the universe are ineligible for inclusion in the index.

Stock selection criteria

Stocks shortlisted based on above mentioned criteria are further analysed as:

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum and 12-month momentum
  - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

    - 12 month Momentum Ratio (MR_{12}) = 12 month Price return / σ_p
      - 12 month price return (12 M return): [Price (M-1)/Price (M-13)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month
      - Std.Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

    - 6 month Momentum Ratio (MR_6) = 6 month Price return / σ_p
      - 6 month price return (6 M return): [Price (M-1)/Price (M-7)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month
      - Std.Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- Z Score of the Momentum Ratio for each security is calculated:
  - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

$$[MR_{12} - \mu_{MR,12}]/\ \sigma_{MR,12}$$

Where;

MR_{12} is the 12 month Momentum Ratio of the stock

$\mu_{MR,\ 12}$ is the mean of the 12 month Momentum Ratios of the eligible universe

$\sigma_{MR,12}$ is the std. deviation of the 12 month Momentum Ratios of the eligible universe

- Similarly, the 6 month Momentum Z score for each stock is calculated as per the following formula:

$$[MR_6 - \mu_{MR,6}] / \sigma_{MR,6}$$

Where;

MR_6 is the 6 month Momentum Ratio of the stock

$\mu_{MR,\ 6}$ is the mean of the 6 month Momentum Ratios in the eligible universe

$\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible universe

- The Weighted Average Z score is calculated for each eligible stock as per the following formula:
  - Weighted Average Z Score = 50% * (12 month Momentum Z Score) + 50% * (6 month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
  - Normalized Momentum Score = (1+ Wgt. Average Z score) if Wgt. Average Z score >=0

    (1- Weighted Average Z score)^-1 if Wgt. Average Z score < 0

- Top 50 stocks with the highest Normalized Momentum Score are selected

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the free float market cap with the Normalized Momentum Score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of the subsequent review of the Nifty500 Momentum 50 index
- If the rank of the eligible stocks within the existing index based on momentum score is within top 75, then such stocks would continue to form part of the index
- From the eligible universe top 25 ranked stocks based on the momentum score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest momentum score from the existing portfolio.
- If the rank of the stocks within the existing index based on the momentum score goes beyond 75, then such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the momentum score
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

21. Nifty500 Quality 50

Introduction:

Nifty500 Quality 50 Index which aims to track the performance of the top 50 stocks within Nifty 500 which are selected based on their Quality scores. The quality score for each stock is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earnings (EPS) growth variability analyzed during the previous 5 years. Stock weights are based on a combination of the stock's Quality score and its free-float market capitalization.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks forming part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- 50 stocks from Nifty 500 based on Quality scores are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's quality score and its free float market capitalization.
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty 500 index at the time of review

Eligible Universe:

- Each stock within the universe is eligible to be the part of the index subject to following:
    - Constituents should have a minimum listing history of 1 year
    - A non-member stock which is not available for trading in F&O segment within the universe are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

      **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*

- Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on 6 month average daily turnover within the universe are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on Turnover ratio within the universe are ineligible for inclusion in the index.

Stock selection criteria:

Stocks shortlisted based on above mentioned criteria are further analysed as:

- For each eligible stock, Quality Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to the financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in the previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.
  Where,
  Y-O-Y EPS growth(n) = $\frac{EPS\ (n)-EPS(n-1)}{EPS\ (n-1)}$ If EPS(n-1) > 0
  Y-O-Y EPS growth(n) = $\frac{-(EPS\ (n)-EPS(n-1))}{EPS\ (n-1)}$ If EPS(n-1) < 0
  If EPS for year n-1 is 0, EPS growth would be Null for the period n
- Quality Z score of each parameter for each security is calculated as per following formula:
  $$(x - \mu)/ \sigma$$
  Where; x is parameter value of the stock
  μ is mean value of the parameters in the eligible universe
  σ is std. deviation of parameters in the eligible universe
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Quality Z score is calculated for all securities as per the following formula:
  For Non-Financial Service sector company:
  Weighted average Quality Z score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)
  For Financial services sector:
  Weighted average Quality Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)
- Quality score is calculated for all eligible securities from the weighted average Quality Z score as
  Quality Score = (1+ Average Quality Z score) if Avg. Quality Z score >0
  (1-Average Quality Z score) ^-1 if Avg. Quality Z score < 0

- Top 50 stocks with the highest Quality Scores are selected to be a part of the index

Stock weighing methodology:

- Weight of the stock in the index is derived by multiplying the square root of free float market cap with quality score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of the subsequent review of the Nifty500 Quality 50 index
- If the rank of the eligible stocks within the existing index based on quality score is within top 75, then such stocks would continue to form part of the index
- From the eligible universe top 25 ranked stocks based on the quality score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest quality score from the existing portfolio.
- If the rank of the stocks within the existing index based on the quality score goes beyond 75, then such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the quality score
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective

measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

22. Nifty500 Multifactor MQVLv 50

Introduction:

The Nifty500 Multifactor MQVLv 50 Index aims to track the performance of a 50-stock portfolio selected based on a combination of momentum, quality, value and low volatility factors from the Nifty 500. The momentum score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earnings (EPS) growth variability analyzed during the previous 5 years. The value score of each company is determined based on Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield. Volatility is calculated as the standard deviation of daily price returns (log normal) for last one year.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks forming part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- An eligible universe is created by selecting the top 25 stocks based on each of the four factors individually
- The top 50 stocks based on aggregate percentile score of the eligible universe are selected to be a part of the index
- The weight of each stock in the index is based on composite factor score
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty 500 index at the time of review

Eligible Universe:

- Each stock within the universe is eligible to be the part of the index subject to following:

- Constituents should have a minimum listing history of 1 year
- A non-member stock which is not available for trading in F&O segment within the universe are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

  **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*
- Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on 6 month average daily turnover within the universe are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on Turnover ratio (Turnover ratio is calculated by dividing 6 months ADT by 6 months average FFMCap) within the universe are ineligible for inclusion in the index.

  Percentage pledged share criteria has been added from April 2016 rebalancing and Circuit filter criteria has been added since June 2019 rebalancing due to unavailability of data

Factors used for stock selection:

The Momentum, Quality, Value and Low Volatility factors are calculated separately for the stocks forming part of the eligible universe**.**

Factor 1: Momentum

- For each eligible stock, Momentum Z Score is calculated on the basis of 6-month momentum and 12-month momentum ratio
  - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

    - 12-month Momentum Ratio (MR_{12}) = 12-month Price return / σ_p
      - 12-month price return (12 M return): [Price (M-1)/Price (M-13)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month
      - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year
    - 6-month Momentum Ratio (MR_6) = 6-month Price return / σ_p

- 6-month price return (6 M return): [Price (M-1)/Price (M-7)]-1

  Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month

- Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- Z Score of the Momentum Ratio for each security is calculated:
  - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_{12} – \mu_{MR,12}]/ \sigma_{MR,12}$

    Where;
    MR_{12} is the 12-month Momentum Ratio of the stock
    $\mu_{MR, 12}$ is the mean of the 12-month Momentum Ratios of the eligible universe
    $\sigma_{MR,12}$ is the std. deviation of the 12-month Momentum Ratios of the eligible universe

  - Similarly, the 6-month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_6 – \mu_{MR,6}]/ \sigma_{MR,6}$

    Where;
    MR_6 is the 6-month Momentum Ratio of the stock
    $\mu_{MR, 6}$ is the mean of the 6-month Momentum Ratios in the eligible universe
    $\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible universe

- The Weighted Average Z score is calculated for each eligible stock as per the following formula:

  Weighted Average Z Score = 50% * (12-month Momentum Z Score) + 50% * (6 month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:

  Momentum Score = (1+ Weighted Average Z score) if Weighted Average Z score >=0
  (1- Weighted Average Z score) ^-1 if Weighted Average Z score < 0

- Percentile Momentum score is calculated from the Normalized Momentum score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 2: Quality

- For each eligible stock, Quality Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to the financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in the previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.
  Where,

  Y-O-Y EPS growth(n) = $\frac{EPS\ (n)-EPS(n-1)}{EPS\ (n-1)}$ If EPS(n-1) > 0

  Y-O-Y EPS growth(n) = $\frac{-(EPS\ (n)-EPS(n-1))}{EPS\ (n-1)}$ If EPS(n-1) < 0

  If EPS for year n-1 is 0, EPS growth would be Null for the period n
- Quality Z score of each parameter for each security is calculated as per following formula:

  $$(x - \mu)/ \sigma$$

  Where;
  x is parameter value of the stock
  μ is mean value of the parameter in the eligible universe
  σ is std. deviation of parameter in the eligible universe
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Quality Z score is calculated for all securities as per the following formula:
  For Non-Financial Service sector company:
  Weighted average Quality Z score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)
  For Financial services sector:
  Weighted average Quality Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)
- Quality score is calculated for all eligible securities from the weighted average Quality Z score as
  Quality Score = (1+ Weighted Average Z score) if Weighted Average Z score >=0
  (1-Weighted Average Z score) ^-1 if Weighted Average Z score < 0
- Percentile Quality score is calculated from the Normalized Quality score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 3: Value

- For each eligible stock, Value Z Score is calculated on the basis of Earnings to Price ratio (E/P), Sales to Price ratio (S/P), Book value to Price ratio (B/P) and Dividend Yield.
- Latest fiscal year data is considered for the calculation of Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield. Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where;
x is parameter value of the stock
μ is mean value of the parameter in the eligible universe
σ is std. deviation of parameter in the eligible universe

- Weighted average Value Z score is calculated for all securities as per the following formula:
  Weighted average Value Z score= 0.25 * (Z score of E/P) + 0.25 * (Z score of B/P) + 0.25* (Z score of S/P) + 0.25 * (Z score of Div. Yield)
- Value score is calculated for all eligible securities from the weighted average Value Z score as
  Value Score = (1+ Weighted Average Z score) if Weighted Average Z score >=0
  (1-Weighted Average Z score) ^-1 if Weighted Average Z score < 0
- Percentile Value score is calculated from the Normalized Value score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 4: Low Volatility

- For each eligible stock, volatility is computed using 1-year trailing price (adjusted for corporate actions)
- Low Volatility is calculated as the inverse of standard deviation based on the previous 1-year price returns (log normal)
- Z score for Low Volatility of each selected stock is calculated as per the following formula

$$(x - \mu)/ \sigma$$

Where,
x is low volatility of the stock (inverse of std. deviation based on the previous 1-year price returns)
μ is mean value of the low volatility in the eligible universe
σ is std. deviation of low volatility in the eligible universe

Low Volatility score is calculated for all the selected security from the Z score as:
Low Volatility Score = (1+Z score) if Z score >0
(1- Z score) ^-1 if Z score < 0

Stock selection criteria:

Step 1: Select the top 25 stocks based on factor score for each of the four factors individually

Step 2: Calculate the aggregate percentile score of all the stocks selected in Step 1

Step 3: Select the top 50 stocks based on aggregate percentile score calculated in Step 2

Aggregate Percentile Score = 25%*(Momentum Percentile Score) + 25%*(Quality Percentile Score) + 25%*(Value Percentile Score) + 25%*(Low Volatility Percentile Score)

Stock weighing methodology:

- Composite Factor Score: 25% * Normalized Momentum Score + 25% *Quality Score + 25% * Value Score + 25% * Low Volatility Score
- Weight of the stock in the index is based on the composite factor score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of the subsequent review of the Nifty500 Multifactor MQVLv 50 index
- If the rank of the eligible stocks within the existing index based on aggregate percentile score is within top 75, then such stocks would continue to form part of the index
- From the eligible universe top 25 ranked stocks based on aggregate percentile score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest ranks based on their aggregate percentile score from the existing portfolio.
- If the rank of the stocks within the existing index based on aggregate percentile score goes beyond 75, then such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the aggregate percentile score
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed

from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.

- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

23. Nifty100 Quality 30

Introduction

NSE Indices Limited (formerly known as India Index Services & Products Limited-IISL), a NSE group company provides a variety of indices and index related services and products for the Indian capital markets.

The Nifty100 Quality 30 index includes top 30 companies from its parent Nifty 100 index, selected based on their 'quality' scores. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.

Highlights

- The index series has a base date of October 01, 2009 and a base value of 1000
- Stocks from Nifty 100 index at the time of review are eligible for inclusion in the index
- 30 companies with higher profitability, lower leverage and more stable earnings are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's quality score and its free float market capitalization

- Index is rebalanced semi-annually

Index Construction & Review Methodology:

Eligibility criteria

- Stocks should form part of Nifty 100 index at the time of review
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty100 Quality 30 index would be considered as a child index as constituents of this index selected from a list of Nifty 100 index
- Constituents should have a minimum listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed twelve calendar months of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.
- Stock should be available for trading in derivative segment (F&O)

Stock selection criteria:

Stocks shortlisted based on above mentioned criteria are further analysed as given below:

- For each eligible stock, Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to financial services sector
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where;

x is parameter value of the stock

μ is mean value of the parameter in the eligible universe

σ is std. deviation of parameter in the eligible universe

- EPS growth variability is not calculated for stocks with negative EPS in any of the previous 6 fiscal years. Such stocks are not considered for selection
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z score is calculated for all securities as per the following formula:

For Non-Financial Service sector company:

Weighted Z score= 0.33 * Z score of ROE + 0.33 * - (Z score of D/E) + 0.33* - (Z score of EPS growth variability)

For financial services sector:

Weighted Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)

- Quality score is calculated for all eligible securities from the weighted average Z score as

Quality Score = (1+ Average Z score) if Average Z score >0

(1-Average Z score)^-1 if Average Z score < 0

- Top 30 stocks are selected based on quality-score

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the square root of the free float market cap with the quality score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Reconstitution

- Index rebalancing will be done on a semi-annual basis in June and December
- Stocks that moved out of the Nifty 100 at the time of review shall also move out of the index
- Top 10 ranked stocks on the basis of quality score are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 50 are compulsorily excluded from the index

- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

24. Nifty200 Quality 30

Introduction

The Nifty200 Quality 30 index includes top 30 companies from its parent Nifty 200 index, selected based on their 'quality' scores. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.

Highlights

- The index series has a base date of April 01, 2005 and a base value of 1000
- Stocks from Nifty 200 index at the time of review are eligible for inclusion in the index
- 30 companies with higher profitability, lower leverage and more stable earnings are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's quality score and its free float market capitalization
- Index is rebalanced semi-annually

Index Construction & Review Methodology:

Eligibility criteria

To form part of Nifty200 Quality 30 Index, stocks should qualify the following eligibility criteria(s):

Universe:

- Stocks should form part of Nifty 200 index at the time of review
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty200 Quality 30 index would be considered as a child index as constituents of this index selected from a list of Nifty 200 index.
- Constituents should have a minimum listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is

considered eligible for inclusion in the index if company has completed twelve calendar months of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

- Stock should be available for trading in derivative segment (F&O)

Stock selection criteria:

Stock's shortlisted based on above mentioned criteria are further analysed as

- For each eligible stock, Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to financial services sector
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where;
x is parameter value of the stock
μ is mean value of the parameter in the eligible universe
σ is std. deviation of parameter in the eligible universe

- EPS growth variability is not calculated for stocks with negative EPS in any of the previous 6 fiscal years. Such stocks are not considered for selection
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z score is calculated for all securities as per the following formula

For Non-Financial Service sector company:

Weighted Z score= 0.33 * Z score of ROE + 0.33 * - (Z score of D/E) + 0.33* - (Z score of EPS growth variability)

For financial services sector:

Weighted Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)

- Quality score is calculated for all eligible securities from the weighted average Z score as

Quality Score = (1+ Average Z score) if Average Z score >0
(1-Average Z score)^-1 if Average Z score < 0

- Top 30 stocks are selected based on quality-score

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the square root of the free float market cap with the quality score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Reconstitution

- Index rebalancing will be done on a semi-annual basis in June and December.
- Stocks that moved out of the Nifty 200 at the time of review shall also move out of the index
- Top 10 ranked stocks on the basis of quality score are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 50 are compulsorily excluded from the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

25. Nifty Midcap150 Quality 50

Introduction

The Nifty Midcap150 Quality 50 index includes top 50 companies from its parent Nifty Midcap 150 index, selected based on their 'quality' scores. The quality score for each company is determined based on return on equity, financial leverage (except for financial services companies) and earning per share (EPS) growth variability of each stock analysed during the previous 5 financial years. The weight of each stock in the index is based on a combination of stock's quality score and its free float market capitalization.

Highlights

- The index series has a base date of April 01, 2005 and a base value of 1000
- Stocks from Nifty Midcap 150 index at the time of review are eligible for inclusion in the index
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty Midcap 150 Quality 50 index would be considered as a child index as constituents of this index selected from a list of Nifty Midcap 150 index
- 50 companies with higher profitability, lower leverage and more stable earnings are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's quality score and its free float market capitalization

Index Construction & Review Methodology:

Eligibility criteria

To form part of Nifty Midcap150 Quality 50 Index, stocks should qualify the following eligibility criteria(s).

Universe:

- Stocks should form part of Nifty Midcap 150 index at the time of review
- Constituents should have a minimum listing history of 1 year

- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed twelve calendar months of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

Stock selection criteria:

Stock's shortlisted based on above mentioned criteria are further analysed as

- For each eligible stock, Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to financial services sector
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration

- Z score of each parameter for each security is calculated as per following formula

$$(x - \mu)/ \sigma$$

Where;
x is parameter value of the stock
μ is mean value of the parameter in the eligible universe
σ is std. deviation of parameter in the eligible universe

- EPS growth variability is not calculated for stocks with negative EPS in any of the previous 6 fiscal years. Such stocks are not considered for selection
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z score is calculated for all securities as per the following formula

<u>For Non-Financial Service sector company:</u>
Weighted Z score= 0.33 * Z score of ROE + 0.33 * - (Z score of D/E) + 0.33* - (Z score of EPS growth variability)

<u>For financial services sector:</u>
Weighted Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)

- Quality score is calculated for all eligible securities from the weighted average Z score as

Quality Score = (1+ Average Z score) if Average Z score >0
(1-Average Z score)^-1 if Average Z score < 0

- Top 50 stocks are selected based on quality-score

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the square root of the free float market cap with the quality score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Reconstitution

- Index reconstitution will be done on a semi-annual basis in June and December. Changes shall be effective from the last trading day of June and December
- At the time of review, stocks forming part of Nifty Midcap 150 are eligible to form part of this index
- Top 25 ranked stocks on the basis of quality score are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 75 are compulsorily excluded from the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement

Calculation Frequency:

The index is calculated on an end of day basis for all days National Stock Exchange of India is open for trading in equity shares.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

26. Nifty Smallcap250 Quality 50

Introduction

The Nifty Smallcap250 Quality 50 Index aims to tracks the performance of the small cap stocks which are selected based on their quality scores. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years. The weight of each stock in the index is based on a combination of stock's quality score and its free float market capitalization.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty Smallcap 250 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on value, liquidity and volatility parameters are excluded from the index
- 50 companies with high quality score are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's quality score and its free float market capitalization. The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Eligibility criteria

To form part of Nifty Smallcap250 Quality 50 Index, stocks should qualify the following eligibility criteria(s).

Universe:

- Stocks forming part / going to be a part of the Nifty Smallcap 250 index at the time of review
- Constituents should have a minimum listing history of 1 year

Eligible Universe:

- Stocks forming part of the universe are eligible to be the part of the index subject to following:
    - Non - F&O stocks within Nifty Smallcap 250 index are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band) * during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

      **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*

    - Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
    - Bottom 10 percentile stocks based on Value score are ineligible for inclusion in the index (Refer Annexure for calculation of value score)
    - Bottom 10 percentile stocks based on 6 month average daily turnover are ineligible for inclusion in the index
    - Bottom 10 percentile stocks based on high volatility are ineligible for inclusion in the index (Refer Annexure for calculation of volatility)

Stock selection criteria:

- For each eligible stock, Z Quality score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.
- Z Quality score of each parameter for each security is calculated as per following formula:

  $(x - \mu)/ \sigma$

  Where; x is parameter value of the stock

  μ is mean value of the parameter in the eligible universe

σ is std. deviation of parameter in the eligible universe

- EPS growth variability is not calculated for stocks with negative EPS in any of the previous 6 fiscal years. Such stocks are not considered for selection
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z Quality score is calculated for all securities as per the following formula:

  For Non-Financial Service sector company:

  Weighted average Z Quality score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)

  For Financial services sector:

  Weighted average Z Quality score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)
- Quality score is calculated for all eligible securities from the weighted average Z Quality score as

  Quality Score = (1+ Average Z Quality score) if Avg. Z Quality score >0

  (1-Average Z Quality score)^-1 if Avg. Z Quality score < 0
- Top 50 stocks are selected based on quality score

Stock weighing methodology:

- Weight of the stock in the index is derived by multiplying the square root of the free float market cap with the quality score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively

- Stocks that moved out of the Nifty Smallcap 250 index shall also move out of the index at the time of the subsequent review of the Nifty Smallcap250 Quality 50 index
- If the rank of the eligible stocks within the existing index based on Quality score is within top 75 then such stocks would continue to form part of the index
- From the eligible universe, top 25 ranked stocks based on the Quality score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest Quality score from the existing portfolio
- If the rank of the stocks within the existing index based on the Quality score goes beyond 75 such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the Quality score within the eligible universe
- In case, the number of stocks within the eligible universe falls below 50, the index shall continue with the available number of stocks within the eligible universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty Smallcap 250 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Annexure :

1) Calculation of Value Score:

- Z Value score is calculated on the basis of on Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield
- Latest fiscal year data is considered for the calculation of Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield
- Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z Value score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where;

x is parameter value of the stock

μ is mean value of the parameter in the parent index

σ is std. deviation of parameter in the parent index

- Weighted average Z Value score is calculated for all securities as per the following formula:

  Weighted Z Value score= 0.25 * (Z score of E/P) + 0.25 * (Z score of B/P) + 0.25* (Z score of S/P) + 0.25 * (Z score of Div. Yield)

- Value score is calculated for all eligible securities from the weighted average Z score as

  Value Score = (1+ Average Z Value score) if Average Z Value score >0

  (1-Average Z Value score)^-1 if Average Z Value score < 0

2) Calculation of Volatility:

Volatility is calculated using closing prices of last one-year (adjusted for corporate actions) period ending last trading day of May and November for June and December review respectively

Calculation Frequency:

The index is calculated on an end of day basis for all days National Stock Exchange of India is open for trading in equity shares.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

27. Nifty Multi-Factor Indices:

Introduction

Nifty Multi-Factor Index series includes indices that are designed to reflect the performance of portfolio of stocks selected based on combination of 2 or more factors such as Quality, Value, Alpha and Low Volatility.

Investments where stocks are screened based on multiple factors have gained popularity among global investment community. By combing the well-established factors used in active investment and rules-based frame work of passive investment, factor indices tend to deliver risk premium in long term in a transparent, rule-based and cost effective manner. NSE Indices Limited maintains various indices based on single factors including Alpha, Quality, Low Volatility and Value. Below is the list of newly launched Nifty multi-factor indices:

Nifty Alpha Low-Volatility 30
Nifty Quality Low-Volatility 30
Nifty Alpha Quality Low-Volatility 30
Nifty Alpha Quality Value Low-Volatility 30

The multi-factor indices intend to capture the long-term risk premia by diversification across 4 factors namely: Alpha, Quality, Low Volatility and Value. By doing so, it intends to counter the cyclicality of single factor index strategy and provides investors a choice to take exposure to multiple factors through a single index product.

Highlights

- The index series has a base date of April 01, 2005 and a base value of 1000
- Stocks from Nifty 100 and Nifty Midcap 50 at the time of review are eligible for inclusion in the indices
    - Indices consist of well diversified portfolio of 30 stocks selected based on combination of 2 or more factors from the 4 factors – Alpha, Quality, Value and Low-Volatility
- Stock selection and weights are derived from factor scores resulting in portfolio capturing the essence of underlying factor dynamics

- With threshold mechanism that lays down stringent criteria for inclusion and exclusion, the index seeks to minimize degree of churning and replication cost

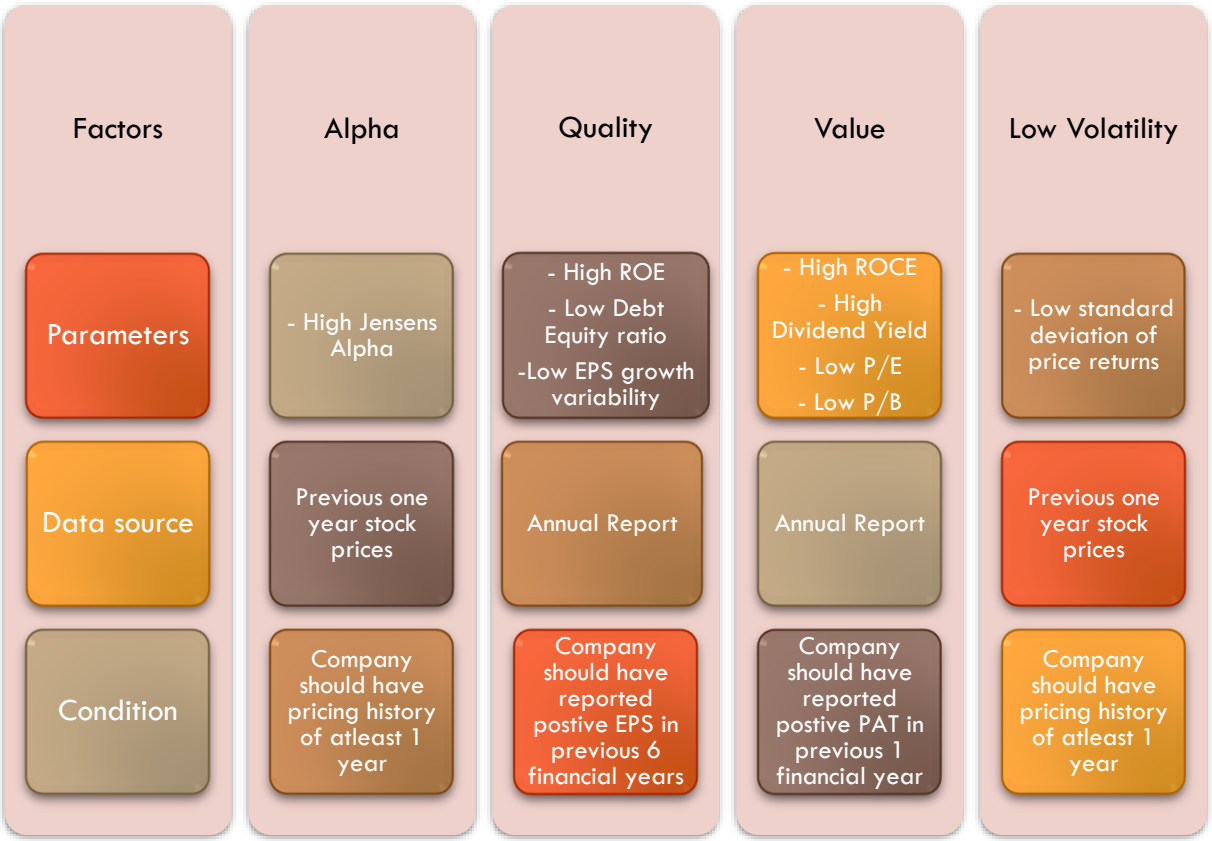
Methodology

Eligibility criteria

- All constituents forming part of Nifty 100 and Nifty Midcap 50 at the time of review are eligible for inclusion in the index
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty Multi-Factor indices would be considered as a child indices as constituents of this index selected from a list of Nifty 100 and Nifty Midcap 150 index
- Stocks should be available for trading in derivative segment (F&O)
- Constituents should have a minimum listing history of 1 year
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed twelve calendar months of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

Stock Selection and stock weights:

Composition of single factors:



Computation of single factor scores

Single Factors	Stock Selection and weighing process			
	Parameter score	Weighting	Factor level Z score	Factor level percentile score
Quality	Return on Equity	33.33%	Aggregate Quality Z score	Percentile Distribution of Quality Z score
	Debt to Equity Ratio	33.33%		
	EPS growth variability in 5 years	33.33%		
Value	Price to Earnings Ratio*1	30%	Aggregate Value Z score	Percentile Distribution of Quality Z score
	Price to Book Value Ratio*1	20%		
	Return on Capital Employed*1	40%		
	Dividend Yield*1	10%		
Alpha	Jensen's Alpha based on CAPM	100%	Alpha Z score	Percentile Distribution of Alpha Z score
Low Volatility	Inverse of Standard deviation of daily price returns	100%	Low Vol Z score	Percentile Distribution of Low Volatility Z score

*1 Refer to annexure for details on different weight combinations used for the calculation of value z score

Factor Weights in Multi-factor Indices

Index	Factors Weights				Selection	Weights
	Alpha	Low-Vol.	Quality	Value		
Nifty Alpha Low-Volatility 30	50%	50%	-	-	Top 30 stocks based on weighted average percentile score	Based on weighted average factor level Z Score. Weights of stocks are capped at 5%
Nifty Quality Low-Volatility 30	-	50%	50%	-		
Nifty Alpha Quality Low-Volatility 30	33.33%	33.33%	33.33%	-		
Nifty Alpha Quality Value Low-Volatility 30	25%	25%	25%	25%		

Reconstitution & Rebalancing criteria

- The Indices will be reconstituted semi-annually in June and December
- Top 10 stocks based on average percentile score are compulsorily included in the index
- An existing constituent is compulsorily excluded if its rank based on Average percentile score drops below 50
- Weights of stocks are capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Weights may drift between rebalancing due to movement in stock prices
- Apart from the scheduled review, additional ad-hoc reconstitution and rebalancing of the index will be initiated in case any of the index constituents undergoes suspension, delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

Factor Mathematics

Z score of factors considered for the index are calculated based on the weighted average Z score of underlying parameters which is discussed below.

1) Quality Factor:

- Quality score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. D/E is not considered for companies belonging to financial services sector
- Companies with negative EPS in the previous 6 years are excluded
- To derive Z-Score, for non-financial service company, equal weightage is given to ROE, D/E and EPS growth variability in the previous 5 years. For Financial Service sector company, 50% weightage is given to ROE & EPS growth variability
- Average weighted Z score is calculated for all securities as per the following formula:

  *Quality Z score (Non- Financial service sector) = (1/3) * Z score of ROE + (1/3) * (-Z score of D/E) + (1/3) * (-Z score of EPS growth variability)*

  *Quality Z score (Financial service sector) = .5 * Z score of ROE + .5 * (-Z score of EPS growth variability)*

2) Value Factor:

- Value Z score are calculated on the basis of ROCE (Return on Capital Employed), PE, PB and Dividend yield (DY)
- Average weighted Z score is calculated for all securities as per the following formula

  *Value Z score= 0.3 * (-Z score of P/E) + 0.2 * (-Z score of P/B) + 0.4 * (Z Score of ROCE) + 0.1 *(Z score of Div. Yield)*

- In case quality is also one of the factors in the index then average weighted Z score is calculated for all securities as per the following formula:

  *Value Z score= 0.3 * (-Z score of P/E) + 0.3 * (-Z score of P/B) + 0.2 * (Z Score of ROCE) + .2 *(Z score of Div. Yield)*

3) Low Volatility Factor:

- Low Volatility Z score is calculated using the inverse of Std. deviation based on previous 1-year prices returns

4) Alpha Factor:

- Alpha Z score is calculated for all securities on the basis of Jensen's Alpha based on previous 1-year prices, where market portfolio is Nifty 50

Calculation of Alpha: $\alpha s = rs - [rf + \beta s (rm - rf)]$

αs: Alpha of the stock

rs: Average of daily return of security during previous 12 months

rf : Average of daily 3 Month MIBOR rate during previous 12 months

rm : Average of daily return of index i.e. Nifty 50

βs : Beta of the security calculated based on previous 12 month period.

Z score of the factors are converted into Factor score based on the following formula

Factor Score = (1+ Average Z score) if Average Z score >0

1/ (1-Average Z score) if Average Z score < 0

Percentile score is calculated from the factor score for every eligible security with security having the highest factor score getting the highest percentile score.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

28. Nifty Total Market Momentum Quality 50

Introduction:

The Nifty Total Market Momentum Quality 50 Index aims to track the performance of the top 50 stocks which are selected based on the combination of momentum and quality factors. The momentum score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty Total Market index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- The index comprises a maximum of 50 stocks
- The weight of each stock in the index is based on the combination of its composite factor score and its free float market capitalization.
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty Total Market index at the time of review
- Constituents should have a minimum listing history of 1 year

Eligible Universe:

- Each stock within the universe is eligible to be the part of the index subject to following:
    - A non-member, non - F&O stock which is not a part of index is ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.

- Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on 6 month average daily turnover within universe are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on Turnover ratio within universe are ineligible for inclusion in the index.

Stock selection criteria:

Factors used for stock selection:

The Momentum and Quality factors are calculated separately for the stocks forming part of the eligible universe

Factor 1: Momentum

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum and 12-month momentum
  - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

    - 12 month Momentum Ratio (MR_{12}) = 12 month Price return / σ_p
      - 12 month price return (12 M return): [Price (M-1)/Price (M-13)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month

      - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

    - 6 month Momentum Ratio (MR_6) = 6 month Price return / σ_p
      - 6 month price return (6 M return): [Price (M-1)/Price (M-7)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month

      - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- Z Score of the Momentum Ratio for each security is calculated:
  - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_{12} - \mu_{MR,12}]/ \sigma_{MR,12}$

Where;

MR_{12} is the 12 month Momentum Ratio of the stock

$\mu_{MR,\ 12}$ is the mean of the 12 month Momentum Ratios of the eligible universe

$\sigma_{MR,12}$ is the std. deviation of the 12 month Momentum Ratios of the eligible universe

- Similarly, the 6 month Momentum Z score for each stock is calculated as per the following formula:

$$[MR_6 - \mu_{MR,6}]/\ \sigma_{MR,6}$$

Where;

MR_6 is the 6 month Momentum Ratio of the stock

$\mu_{MR,\ 6}$ is the mean of the 6 month Momentum Ratios in the eligible universe

$\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible universe

The Weighted Average Z score is calculated for each eligible stock as per the following formula:

- Weighted Average Z Score = 50% * (12 month Momentum Z Score) + 50% * (6 month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
  - Normalized Momentum Score = (1+ Wgt. Avg. Z score) if Wgt. Avg. Z score >=0

    (1- Weighted Average Z score)^-1 if Wgt. Avg. Z score < 0
- Percentile Momentum score is calculated from the Normalized Momentum score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 2: Quality

- For each eligible stock, Quality Z score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to the financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in the previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.

  Where,

$$\text{Y-O-Y EPS growth(n)} = \frac{EPS\ (n) - EPS(n-1)}{EPS\ (n-1)} \text{ If EPS(n-1) > 0}$$

$$\text{Y-O-Y EPS growth(n)} = \frac{-(EPS\ (n) - EPS(n-1))}{EPS\ (n-1)} \text{ If EPS(n-1) < 0}$$

If EPS for year n-1 is 0, EPS growth would be Null for the period n

- Quality Z score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where; x is parameter value of the stock

μ is mean value of the parameter in the eligible universe

σ is std. deviation of parameter in the eligible universe

- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Quality Z score is calculated for all securities as per the following formula:

For Non-Financial Service sector company:

Weighted average Z Quality score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)

For Financial services sector:

Weighted average Quality Z score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)

- Quality score is calculated for all eligible securities from the weighted average Quality Z score as

Quality Score = (1+ Wgt. Avg. Quality Z score) if Wgt. Avg. Quality Z score >0

(1- Wgt. Avg. Quality Z score)^-1 if Wgt. Avg. Quality Z score < 0

- Percentile Quality score is calculated from the Quality score for every eligible security with security having the highest factor score getting the highest percentile score.

Stock selection criteria:

- Aggregate Percentile Score= 50% * percentile Momentum score + 50% * percentile Quality score
- Top 50 stocks are selected based on aggregate percentile score

Stock weighing methodology:

- Weight of the stock in the index is derived by multiplying the free float market cap with the composite factor score of that stock
- Composite Factor Score: 50% * Normalized Momentum score + 50% * Quality score
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based on free float market capitalization
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty Total Market index shall also move out of the index at the time of the subsequent review of the Nifty Total Market Momentum Quality 50 index
- If the rank of the eligible stocks within the existing index based on aggregate percentile score is within top 75, then such stocks would continue to form part of the index
- From the eligible universe top 25 ranked stocks based on the aggregate percentile score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest aggregate percentile score from the existing portfolio.
- If the rank of the stocks within the existing index based on the aggregate percentile score goes beyond 75, then such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the aggregate percentile score
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty Total Market index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

29. Nifty500 Multicap Momentum Quality 50

Introduction:

The Nifty500 Multicap Momentum Quality 50 Index aims to track the performance of the largecap, midcap and smallcap stocks which are selected based on the combination of momentum and quality factors from the Nifty 500 index. The momentum score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.

Highlights:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty 500 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- 10 companies from large cap universe (stocks forming part of the Nifty 100), 15 companies from midcap universe (stocks forming part of the Nifty Midcap 150) and 25 companies from the smallcap universe (stocks forming part of the Nifty Smallcap 250) based on the combination of momentum and quality factors are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's composite momentum - quality score and its free float market capitalization.
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty 500 index at the time of review
- Constituents should have a minimum listing history of 1 year

Eligible Universe:

- Stocks forming part of the Nifty 500 are further classified into three segment universes in the following manner:
    - Large cap segment – stocks forming part of the Nifty 100 index
    - Midcap Segment –stocks forming part of the Nifty Midcap 150 index
    - Smallcap segment – stocks forming part of the Nifty Smallcap 250 index
- Each stock within the segment universe is eligible to be the part of the index subject to following:
    - A non-member, non - F&O stocks which are not a part of index are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band) * during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

      **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*
    - Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
    - Bottom 10 percentile stocks based on 6 month average daily turnover within each segment universe (Large cap, Mid cap and Smallcap segment separately) are ineligible for inclusion in the index
    - Bottom 10 percentile stocks based on Turnover ratio within each segment universe (Large cap, Mid cap and Smallcap segment separately) are ineligible for inclusion in the index.

      To remove large illiquid companies which may have higher FFMCAP but poor relative liquidity we have applied the turnover ratio. Turnover ratio is calculated by dividing 6 months ADT by 6 months average FFMcap

  Percentage pledged share criteria has been added from April 2016 rebalancing and Circuit filter criteria has been added since June 2019 rebalancing due to unavailability of data

Stock selection criteria:

Factors used for stock selection:

The Momentum and Quality factors are calculated separately for the stocks forming part of the eligible segment universe

Factor 1: Momentum

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum and 12-month momentum
    - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

- 12 month Momentum Ratio (MR_{12}) = 12 month Price return / σ_p
  - 12 month price return (12 M return): [Price (M-1)/Price (M-13)]-1

    Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month
  - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- 6 month Momentum Ratio (MR_6) = 6 month Price return / σ_p
  - 6 month price return (6 M return): [Price (M-1)/Price (M-7)]-1

    Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month
  - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- Z Score of the Momentum Ratio for each security is calculated:
  - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_{12} - \mu_{MR,12}] / \sigma_{MR,12}$

    Where;
    MR_{12} is the 12 month Momentum Ratio of the stock
    $\mu_{MR,\ 12}$ is the mean of the 12 month Momentum Ratios of the eligible segment universe
    $\sigma_{MR,12}$ is the std. deviation of the 12 month Momentum Ratios of the eligible segment universe

  - Similarly, the 6 month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_6 - \mu_{MR,6}] / \sigma_{MR,6}$

    Where;
    MR_6 is the 6 month Momentum Ratio of the stock
    $\mu_{MR,\ 6}$ is the mean of the 6 month Momentum Ratios in the eligible segment universe
    $\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible segment universe

The Weighted Average Z score is calculated for each eligible stock as per the following formula:

- Weighted Average Z Score = 50% * (12 month Momentum Z Score) + 50% * (6 month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
    - Normalized Momentum Score = (1+ Wgt. Avg. Z score) if Wgt. Avg. Z score >=0

      (1- Weighted Average Z score)^-1 if Wgt. Avg. Z score < 0
- Percentile Momentum score is calculated from the Normalized Momentum score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 2: Quality

- For each eligible stock, Z Quality score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to the financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in the previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.
  Where,

  Y-O-Y EPS growth(n) = $\frac{EPS\ (n)-EPS(n-1)}{EPS\ (n-1)}$ If EPS(n-1) > 0

  Y-O-Y EPS growth(n) = $\frac{-(EPS\ (n)-EPS(n-1))}{EPS\ (n-1)}$ If EPS(n-1) < 0

  If EPS for year n-1 is 0, EPS growth would be Null for the period n
- Z Quality score of each parameter for each security is calculated as per following formula:

  $$(x - \mu)/ \sigma$$

  Where; x is parameter value of the stock

  μ is mean value of the parameter in the eligible segment universe

  σ is std. deviation of parameter in the eligible segment universe
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z Quality score is calculated for all securities as per the following formula:

  For Non-Financial Service sector company:

  Weighted average Z Quality score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)

  For Financial services sector:

  Weighted average Z Quality score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)
- Quality score is calculated for all eligible securities from the weighted average Z Quality score as

  Quality Score = (1+ Average Z Quality score) if Avg. Z Quality score >0

  (1-Average Z Quality score)^-1 if Avg. Z Quality score < 0

- Percentile Quality score is calculated from the Quality score for every eligible security with security having the highest factor score getting the highest percentile score.

Stock selection criteria:

- Aggregate Percentile Score= 50% * percentile Momentum score + 50% * percentile Quality score
- Stocks are selected from each segment universe based on the aggregate percentile score in the following manner:
    - Top 10 stocks from the large cap segment
    - Top 15 stocks from the midcap segment
    - Top 25 stocks from the smallcap segment

Stock weighing methodology:

- Composite Factor Score: 50% * Normalized Momentum score + 50% * Quality score
- Weight of the stock in the index is derived by multiplying the free float market cap with the composite factor score of that stock
- Each stock in the index is capped at 5%
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty 500 index shall also move out of the index at the time of the subsequent review of the Nifty500 Multicap Momentum Quality 50 index
- If the rank of the eligible stocks within the existing index based on composite percentile score is within:
    - Top 15 in the large cap segment universe
    - Top 23 in the midcap segment universe
    - Top 38 in the smallcap segment universe

then such stocks would continue to form part of the index

- From the eligible segment universe, top 5 ranked stocks from large cap, top 8 ranked stocks from the midcap and top 13 ranked stocks from the smallcap segment based on the composite percentile score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest composite percentile score from the existing portfolio within the respective segment universe
- If the rank of the stocks within the existing index based on the composite percentile score goes:
    - Beyond 15 in the large cap segment universe
    - Beyond 23 in the midcap segment universe
    - Beyond 38 in the smallcap segment universe

    such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the composite percentile score within the eligible segment universe
- In case, the number of stocks within the eligible segment universe falls below 10 in the largecap segment, 15 in the midcap segment and 25 in the smallcap index, the index shall continue with the available number of stocks within that segment universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 500 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

30. Nifty MidSmallcap400 Momentum Quality 100

Introduction:

The Nifty MidSmallcap400 Momentum Quality 100 Index aims to track the performance of the midcap and smallcap stocks which are selected based on the combination of momentum and quality factors from the Nifty MidSmallcap 400 index. The momentum score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.

Highlights:

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty MidSmallcap 400 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- 50 companies from the Midcap universe (stock forming part of the Nifty Midcap 150 index) and 50 companies from Smallcap universe (stock forming part of the Nifty Smallcap 250 index) based on the combination of momentum and quality factors are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's composite momentum - quality score and its free float market capitalization.
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty MidSmallcap 400 index at the time of review
- Constituents should have a minimum listing history of 1 year

Eligible Universe:

- Stocks forming part of the Nifty MidSmallcap 400 are further classified into two segment universes in the following manner:
    - Midcap Segment – stocks forming part of the Nifty Midcap 150 index
    - Smallcap segment – stocks forming part of the Nifty Smallcap 250 index
- Each stock within the segment universe is eligible to be the part of the index subject to following:
    - Non - F&O stocks within the segment universe index are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

      **An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances.*
    - Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index
    - Bottom 10 percentile stocks based on 6 month average daily turnover within each segment universe (Midcap and Smallcap segment separately) are ineligible for inclusion in the index
    - Bottom 10 percentile stocks based on Turnover ratio within each segment universe (Midcap and Smallcap segment separately) are ineligible for inclusion in the index.

Stock selection criteria:

Factors used for stock selection:

The Momentum and Quality factors are calculated separately for the stocks forming part of the eligible segment universe

Factor 1: Momentum

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum and 12-month momentum
    - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

        - 12 month Momentum Ratio (MR_{12}) = 12 month Price return / σ_p
            - 12 month price return (12 M return): [Price (M-1)/Price (M-13)]-1

              Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month
            - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- 6 month Momentum Ratio (MR_6) = 6 month Price return / σ_p
  - 6 month price return (6 M return): [Price (M-1)/Price (M-7)]-1

    Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month
  - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

- Z Score of the Momentum Ratio for each security is calculated:
  - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_{12} – \mu_{MR,12}]/ \sigma_{MR,12}$

    Where;
    MR_{12} is the 12 month Momentum Ratio of the stock
    $\mu_{MR,\ 12}$ is the mean of the 12 month Momentum Ratios of the eligible segment universe
    $\sigma_{MR,12}$ is the std. deviation of the 12 month Momentum Ratios of the eligible segment universe

  - Similarly, the 6 month Momentum Z score for each stock is calculated as per the following formula:

    $[MR_6 – \mu_{MR,6}]/ \sigma_{MR,6}$

    Where;
    MR_6 is the 6 month Momentum Ratio of the stock
    $\mu_{MR,\ 6}$ is the mean of the 6 month Momentum Ratios in the eligible segment universe
    $\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible segment universe

The Weighted Average Z score is calculated for each eligible stock as per the following formula:

- Weighted Average Z Score = 50% * (12 month Momentum Z Score) + 50% * (6 month Momentum Z Score)

- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
  - Normalized Momentum Score = (1+ Wgt. Avg. Z score) if Wgt. Avg. Z score >=0

    (1- Weighted Average Z score)^-1 if Wgt. Avg. Z score < 0

- Percentile Momentum score is calculated from the Normalized Momentum score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 2: Quality

- For each eligible stock, Z Quality score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to the financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in the previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.

  Where,

  Y-O-Y EPS growth(n) = $\frac{EPS\ (n)-EPS(n-1)}{EPS\ (n-1)}$ If EPS(n-1) > 0

  Y-O-Y EPS growth(n) = $\frac{-(EPS\ (n)-EPS(n-1))}{EPS\ (n-1)}$ If EPS(n-1) < 0

  If EPS for year n-1 is 0, EPS growth would be Null for the period n
- Z Quality score of each parameter for each security is calculated as per following formula:

  $$(x - \mu)/ \sigma$$

  Where; x is parameter value of the stock

  μ is mean value of the parameter in the eligible segment universe

  σ is std. deviation of parameter in the eligible segment universe
- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z Quality score is calculated for all securities as per the following formula:

  For Non-Financial Service sector company:

  Weighted average Z Quality score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)

  For Financial services sector:

  Weighted average Z Quality score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)
- Quality score is calculated for all eligible securities from the weighted average Z Quality score as

  Quality Score = (1+ Average Z Quality score) if Avg. Z Quality score >0

  (1-Average Z Quality score)^-1 if Avg. Z Quality score < 0
- Percentile Quality score is calculated from the Quality score for every eligible security with security having the highest factor score getting the highest percentile score.

Stock selection criteria:

- Aggregate Percentile Score= 50% * percentile Momentum score + 50% * percentile Quality score
- 50 stocks are selected from each segment universe individually based on the aggregate percentile score

Stock weighing methodology:

- Composite Factor Score: 50% * Normalized Momentum score + 50% * Quality score
- Weight of the stock in the index is derived by multiplying the free float market cap with the composite factor score of that stock
- Each stock in the index is capped at 5%
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty MidSmallcap 400 index shall also move out of the index at the time of the subsequent review of the Nifty MidSmallcap400 Momentum Quality 100 index
- If the rank of the eligible stocks within the existing index based on composite percentile score is within top 75 in the eligible segment universe, then such stocks would continue to form part of the index
- From the eligible segment universe top 25 ranked stocks based on the composite percentile score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest composite percentile score from the existing portfolio within the respective segment universe
- If the rank of the stocks within the existing index based on the composite percentile score goes beyond 75 in the eligible segment universe, such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the composite percentile score within the eligible segment universe

- In case, the number of stocks within the eligible segment universe falls below 50, the index shall continue with the available number of stocks within that eligible segment universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty MidSmallcap 400 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

31. Nifty Smallcap250 Momentum Quality 100

Introduction:

The Nifty Smallcap250 Momentum Quality 100 Index aims to track the performance of the small cap stocks which are selected based on the combination of momentum and quality factors. The momentum score for each company is determined based on its 6-month and 12-month price return, adjusted for volatility. The quality score for each company is determined based on return on equity (ROE), financial leverage (Debt/Equity Ratio) and earning (EPS) growth variability analysed during the previous 5 years.

Highlights

- The index has a base date of April 01, 2005, with a base value of 1000
- Stocks part of the Nifty Smallcap 250 index at the time of review are eligible for inclusion in the index
- Stocks that have scored low on liquidity parameters are excluded from the index
- 100 companies based on the combination of momentum and quality factors are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's composite momentum - quality score and its free float market capitalization.
- The index is reconstituted semi-annually (June, December)

Index Construction & Review Methodology:

Universe:

- Stocks forming part / going to be a part of the Nifty Smallcap 250 index at the time of review
- Constituents should have a minimum listing history of 1 year

Eligible Universe:

- Stocks forming part of the universe are eligible to be the part of the index subject to following:
    - Non - F&O stocks within Nifty Smallcap 250 index are ineligible for inclusion if the total instances of the stock hitting the upper or lower circuit (price band)* during

the past 6 months as of the cut-off date is more than or equal to 20% of the number of total trading days over the same period

**An instance is counted each time the stock hits the upper or lower price circuit on a given trading day. If a stock hits the upper and lower price circuit (price band) on the same trading day, it will be counted as two instances*

- Companies having percentage pledged promotor's shares greater than 20% are ineligible for inclusion in the index.
- Bottom 10 percentile stocks based on 6 month average daily turnover are ineligible for inclusion in the index
- Bottom 10 percentile stocks based on Turnover ratio are ineligible for inclusion in the index.

Stock selection criteria:

Factors used for stock selection:

Factor 1: Momentum Factor

- For each eligible stock, Z Score is calculated on the basis of 6-month momentum and 12-month momentum
  - Momentum Ratio for a stock is calculated as:

$$Momentum\ Ratio = (Price\ Return)/\sigma_p$$

    - 12 month Momentum Ratio (MR_{12}) = 12 month Price return / σ_p
      - 12 month price return (12 M return): [Price (M-1)/Price (M-13)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-13 Month

      - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

    - 6 month Momentum Ratio (MR_6) = 6 month Price return / σ_p
      - 6 month price return (6 M return): [Price (M-1)/Price (M-7)]-1

        Where M is the rebal month, and prices are as of the last trading day of M-1 Month and M-7 Month

      - Std. Deviation (σ_p) : Annualised standard deviation of lognormal daily returns of the stock for 1 year

  - Z Score of the Momentum Ratio for each security is calculated:
    - The 12 – month Momentum Z score for each stock is calculated as per the following formula:

      $[MR_{12} - \mu_{MR,12}]/ \sigma_{MR,12}$

      Where;
      MR_{12} is the 12 month Momentum Ratio of the stock

$\mu_{MR,\ 12}$ is the mean of the 12 month Momentum Ratios of the eligible universe

$\sigma_{MR,12}$ is the std. deviation of the 12 month Momentum Ratios of the eligible universe

- Similarly, the 6 month Momentum Z score for each stock is calculated as per the following formula:

$$[MR_6 - \mu_{MR,6}] / \sigma_{MR,6}$$

Where;

MR_6 is the 6 month Momentum Ratio of the stock

$\mu_{MR,\ 6}$ is the mean of the 6 month Momentum Ratios in the eligible universe

$\sigma_{MR,6}$ is the std. deviation of the 6 month Momentum Ratios in the eligible universe

- The Weighted Average Z score is calculated for each eligible stock as per the following formula:
  - Weighted Average Z Score = 50% * (12 month Momentum Z Score) + 50% * (6 month Momentum Z Score)
- The Normalized Momentum Score is calculated for each eligible stock from its Weighted Average Z score as:
  - Normalized Momentum Score = (1+ Wgt. Avg. Z score) if Wgt. Avg. Z score >=0

    (1- Weighted Average Z score)^-1 if Wgt. Avg. Z score < 0
- Percentile Momentum score is calculated from the Normalized Momentum score for every eligible security with security having the highest factor score getting the highest percentile score.

Factor 2: Quality Factor

- For each eligible stock, Z Quality score is calculated on the basis of return on equity (ROE), debt-to-equity (D/E) ratio and EPS growth variability in the previous 5 years. Debt-to-equity ratio is not considered for companies belonging to financial services sector.
- Latest fiscal year data is considered for the calculation of return on equity (ROE) and debt-to-equity (D/E) ratio. EPS growth variability in previous 5 financial years is calculated using adjusted EPS of previous 6 years. Consolidated financial data is used wherever available else standalone financial data is taken into consideration.

  Where,

Y-O-Y EPS growth(n) = $\frac{EPS\ (n)-EPS(n-1)}{EPS\ (n-1)}$ If EPS(n-1) > 0

Y-O-Y EPS growth(n) = $\frac{-(EPS\ (n)-EPS(n-1))}{EPS\ (n-1)}$ If EPS(n-1) < 0

If EPS for year n-1 is 0, EPS growth would be Null for the period n

- Z Quality score of each parameter for each security is calculated as per following formula:

  $$(x - \mu)/ \sigma$$

  Where; x is parameter value of the stock

  μ is mean value of the parameter in the eligible universe

  σ is std. deviation of parameter in the eligible universe

- In case of an IPO, company will be considered for selection, if adjusted EPS data is available to at least calculate EPS growth variability in previous 3 financial years
- Weighted average Z Quality score is calculated for all securities as per the following formula:

  For Non-Financial Service sector company:

  Weighted average Z Quality score= (1/3) * Z score of ROE + (1/3) * - (Z score of D/E) + (1/3) * - (Z score of EPS growth variability)

  For Financial services sector:

  Weighted average Z Quality score= 0.5 * Z score of ROE + 0.5*-(Z score of EPS growth variability)

- Quality score is calculated for all eligible securities from the weighted average Z Quality score as

  Quality Score = (1+ Average Z Quality score) if Avg. Z Quality score >0

  (1-Average Z Quality score)^-1 if Avg. Z Quality score < 0

- Percentile Quality score is calculated from the Quality score for every eligible security with security having the highest factor score getting the highest percentile score.

Stock selection criteria:

- Aggregate Percentile Score= 50% * percentile Momentum score + 50% * percentile Quality score
- Top 100 stocks based on aggregate percentile score are selected to be the part of the index.

Stock weighing methodology:

- Composite Factor Score: 50% * Normalized Momentum score + 50% * Quality score
- Weight of the stock in the index is derived by multiplying the free float market cap with the composite factor score of that stock
- Each stock in the index is capped at 3%
- Capping will be done semi-annually at the time of reconstitution
- The weight of stocks may drift between two rebalancing periods due to movement in the stock prices

Index rebalancing & reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November respectively
- Stocks that moved out of the Nifty Smallcap 250 index shall also move out of the index at the time of the subsequent review of the Nifty Smallcap250 Momentum Quality 100 index
- If the rank of the eligible stocks within the existing index based on composite percentile score is within top 150 then such stocks would continue to form part of the index
- From the eligible universe, top 50 ranked stocks based on the composite percentile score that are not part of the index shall be compulsorily included in the index replacing the stocks with lowest composite percentile score from the existing portfolio
- If the rank of the stocks within the existing index based on the composite percentile score goes beyond 150 such stocks shall be compulsorily excluded, and they will be replaced by next best stocks based on the composite percentile score within the eligible universe
- In case, the number of stocks within the eligible universe falls below 100, the index shall continue with the available number of stocks within the eligible universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty Smallcap 250 index due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In

case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

32. Nifty50 Value 20

Introduction:

The Nifty50 Value 20 Index is designed to reflect the behaviour and performance of a diversified portfolio of value companies forming a part of Nifty 50 Index. It consists of the most liquid value blue chip companies. The Nifty50 Value 20 Index comprises of 20 companies listed on the National Stock Exchange (NSE). Value companies are normally perceived as companies with low PE (Price to Earning), low PB (Price to Book) and high DY (Dividend Yield).

Index Construction & Review Methodology:

The index is calculated using free float market capitalization methodology and has a base date of January 1, 2009 indexed to a base value of 1000. At the time of quarterly rebalancing/ change in index constituents, the weightage of the index constituent (where applicable) is capped at 15%. Weightage of such stock may increase beyond 15% between the rebalancing periods.

Selection Criteria

The criteria for the Nifty50 Value 20 Index include the following:

- Companies forming the part Nifty 50 on the construction and rebalancing date are taken into consideration for selection of stocks
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty50 Value 20 index would be considered as a child index as constituents of this index selected from a list of Nifty 50 index
- Stocks are selected on the basis of ROCE (Return on Capital Employed), PE, PB and DY and final ranking is derived to select the value stocks from Nifty 50
- Ranks are assigned to all the Nifty constituents based on each parameter i.e. ROCE, PE, PB & DY *. Relatively lower PE and PB receives a better rank, while higher DY and ROCE receive a better rank

- Weights of 0.4, 0.3, 0.2 and 0.1 are assigned to ranks of ROCE, PE, PB and Dividend Yield respectively to derive the final ranking for selection
- The top 20 companies as per the ascending order of the final ranking are selected to form the index

Index Review

- The index is reviewed annually in December
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms
- In order to reduce the number of rebalancing of constituents in a review, a buffer of 50% of total number of the constituents shall be applied at the time of each review. This means that if the existing constituent at the time of the review ranks within the top 30, the same can be retained in the index. However, if a stock ranks within the top 5 stocks in the rebalancing pool the stock with the lowest rank from the existing constituents would be replaced with the same
- Companies which are IRDA dividend norms compliant shall be considered eligible to be included in the index

Constituent Capping:

Each constituent in the index is capped at 15%. This means that at the time of rebalancing of the index, no single constituent shall have weightage of more than 15%. The capping factor of stocks is realigned upon replacement of scrips in the index and on a quarterly basis from the last trading day of March, June, September and December.

In the event of weight realignment, capping factors will be calculated for all constituents whose uncapped weight is greater than 15%. Weightage of such constituent may increase beyond 15% between the rebalancing periods depending on the price movement. The capping factor is calculated considering the closing prices of the index constituents 3 trading days (T-3) prior to the effective date (T day) of the changes.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

33. Nifty200 Value 30

Introduction:

The Nifty200 Value 30 index consists of 30 companies from its parent Nifty 200 index, selected based on their 'value' scores. The value score of each company is determined based on Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield.

Highlights

- The index has a base date of April 01, 2005 and a base value of 1000
- Stocks from Nifty 200 index at the time of review are eligible for inclusion in the index
- 30 companies with higher Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield are selected to be part of the index
- The weight of each stock is based on the factor tilt methodology – the weight is derived by multiplying the free float market cap with the Value Score of that stock
- Stock weights are capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- A buffer based on Value Score ranks is applied to reduce turnover

Index Construction & Review Methodology:

Universe:

- Stocks should form part of Nifty 200 index at the time of review
- Constituents should have a minimum listing history of 1 month
- Stock should be available for trading in derivative segment (F&O) as on the effective date

Stock selection criteria:

Stocks shortlisted based on above mentioned criteria are further analysed as

- For each eligible stock, Z score is calculated on the basis of on Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield
- Latest fiscal year data is considered for the calculation of Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield. Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where;

x is parameter value of the stock

μ is mean value of the parameter in the eligible universe

σ is std. deviation of parameter in the eligible universe

- Weighted average Z score is calculated for all securities as per the following formula:

Weighted Z score= 0.25 * (Z score of E/P) + 0.25 * (Z score of B/P) + 0.25* (Z score of S/P) + 0.25 * (Z score of Div. Yield)

- Value score is calculated for all eligible securities from the weighted average Z score as

Value Score = (1+ Average Z score) if Average Z score >0

(1-Average Z score)^-1 if Average Z score < 0

- Top 30 stocks are selected based on value-score

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the free float market cap with the Value score of that stock
- Each stock in the index is capped at the lower of 5% or 5 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Index Rebalancing and Reconstitution:

- Index rebalancing and reconstitution will be done on a semi-annual basis in June and December using data ending last trading day of May and November
- Stocks that moved out of the Nifty 200 shall also move out of the index at the time of the subsequent review of the Nifty200 Value 30 Index
- If the rank of the eligible stocks within the existing index based on Value score is within top 45 such stocks would continue to form part of the index
- From the universe, top 15 ranked stocks based on the Value score that are already not part of the index shall be compulsorily included in the index replacing the stocks with lowest Value score from the existing portfolio

- If the rank of the stocks within the existing index based on the Value score goes beyond 45 such stocks shall be compulsorily excluded, and they will be replaced by next best stocks within the universe
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents is removed from Nifty 200 due to any corporate action (scheme of arrangement, delisting etc.) or suspension by the exchange etc.
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance with the norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

34. Nifty500 Value 50

Introduction

The Nifty500 Value 50 index consists of 50 companies from its parent Nifty 500 index, selected based on their 'value' scores. The value score of each company is determined based on Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield.

Highlights

- The index has a base date of April 01, 2005 and a base value of 1000
- Stocks from Nifty 500 index at the time of review are eligible for inclusion in the index
- 50 companies with higher Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield are selected to be part of the index
- The weight of each stock in the index is based on the combination of stock's 'value' score and its free float market capitalization

Index Construction & Review Methodology:

Eligibility criteria

To form part of Nifty500 Value 50 Index, stocks should qualify the following eligibility criteria(s)

Universe:

- Stocks should form part of Nifty 500 index at the time of review
- In case of reconstitution of child indices, latest index composition including most recent changes in respective parent index whether announced or yet to be announced shall be considered. Child indices are defined as those indices where constituents are selected from a list of any other index. Nifty500 Value 50 index would be considered as a child index as constituents of this index selected from a list of Nifty 500 index
- Constituents should have a minimum listing history of 1 month
- At the time of index reconstitution, a company which has undergone a scheme of arrangement for corporate event such as demerger, capital restructuring etc. is considered eligible for inclusion in the index if company has completed one calendar month of trading as on the cut-off date after the stock has traded on ex. basis subject to fulfilment of all eligibility criteria for inclusion in the index.

- Stocks should have ranked within top 400 based on both average daily turnover and average daily free-float market capitalisation based on previous six months data ending May and November.

Stock selection criteria:

Stock's shortlisted based on above mentioned criteria are further analysed as

- For each eligible stock, Z score is calculated on the basis of on Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield
- Latest fiscal year data is considered for the calculation of Earnings to Price ratio (E/P), Book Value to Price ratio (B/P), Sales to Price ratio (S/P) and Dividend Yield. Consolidated financial data is used wherever available else standalone financial data is taken into consideration
- Z score of each parameter for each security is calculated as per following formula:

$$(x - \mu)/ \sigma$$

Where;

x is parameter value of the stock

μ is mean value of the parameter in the eligible universe

σ is std. deviation of parameter in the eligible universe

- Weighted average Z score is calculated for all securities as per the following formula:

Weighted Z score= 0.25 * (Z score of E/P) + 0.25 * (Z score of B/P) + 0.25* (Z score of S/P) + 0.25 * (Z score of Div. Yield)

- Value score is calculated for all eligible securities from the weighted average Z score as

Value Score = (1+ Average Z score) if Average Z score >0

(1-Average Z score)^-1 if Average Z score < 0

- Top 50 stocks are selected based on value-score

Weights and Capping:

- Weight of the stock in the index is derived by multiplying the free float market cap with the value score of that stock

- Each sector in the index is capped at 25%
- Each stock in the index is capped at the lower of 5% or 3 times the weight of the stock in the index based only on free float market capitalization
- Capping will be done semi-annually at the time of rebalancing

Reconstitution

- Index reconstitution will be done on a semi-annual basis in the month of June and December based on six months data ending May and November respectively
- Stocks that do not qualify the eligibility criteria mentioned above will be compulsorily excluded from the index and replaced with non-member eligible stocks
- Top 25 ranked stocks on the basis of value score are compulsorily included in the index, whereas existing stocks in the index whose rank goes beyond 75 are compulsorily excluded from the index
- Apart from the scheduled semi-annual review, additional ad-hoc reconstitution and rebalancing of the index shall be initiated in case any of the index constituents undergoes suspension or delisting or scheme of arrangement
- Further, on a quarterly basis, indices will be screened for compliance with the portfolio concentration norms for ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

35. Nifty Equity Savings

Introduction

NSE Indices Limited (formerly known as India Index Services & Products Limited-IISL), a NSE group company provides a variety of indices and index related services and products for the Indian capital markets.

Nifty Equity Savings Index captures performance of a portfolio having exposure to equity, equity arbitrage and debt instruments. This index is a total return index capturing price return and dividend/coupon income.

Methodology

- The index series has a base date of April 01, 2005 and a base value of 1000.
- The Nifty Equity Savings Index includes the following components:
  1) 35% exposure to Nifty 50 Total Return Index
  2) 30% exposure to equity arbitrage (long position in Nifty 50 Total Return Index and equivalent short position in Nifty 50 Futures Index)
  3) 30% exposure to Nifty Short Duration Debt Index
  4) 5% exposure to Nifty 1D Rate Index
- Weights of the sub-indices can drift between monthly reset dates due to underlying asset price movement. These weights are reset to their pre-defined levels on a monthly basis.

Also see:

- Index characteristics: **Click here**
- Index reconstitution frequency: **Click here**
- Corporate Actions and Share Updates: **Click here**
- Investible weight factors: **Click here**
- Index Calculation Formula: **Click here**
- Index Factsheet: **Click here**

Nifty 50 variants:

1. Nifty50 USD

Nifty50 USD, a dollar linked variant of Nifty 50 index has been constructed as an instrument for measuring returns on their equity investment in the US dollar terms.

Index value calculation:

Closing value of Nifty 50 * Exchange rate (USD/INR) as on base date/ Exchange rate (USD/INR) for the day

Base date of Nifty50 USD is same as Nifty 50 i.e. November 3, 1995 and the base index value is 1000 points

Exchange rate as on base date: 34.65

Effective April 3, 2017, WM/Reuters 4 pm FX benchmark USDINR rate on a daily basis is considered to compute the closing index value.

Effective October 13, 2025, the Nifty50 USD index is computed intra-day using USDINR spot rate sourced from Cogencis Information Services Ltd. (Cogencis) during trading hours of Capital Market segment at the National Stock Exchange of India Ltd. (NSE).

The Closing value of the Nifty50 USD index continues to be computed using the WM/Reuters 4 PM FX benchmark rate (WMR) for the day. The closing value of Nifty50 USD may be higher or lower than the intra-day High or Low index values respectively as may have been published by NSE. In such cases, the intra-day high and low index values calculated & disseminated during the trading hours by NSE are not revised.

2. Nifty50 JPY

Nifty50 JPY, a Japanese Yen (JPY) linked variant of Nifty 50 index has been constructed as an instrument for measuring returns of equity investment in Japanese currency (JPY). Nifty50 JPY is Nifty 50, measured in Japanese Yen.

Index value calculation:

Nifty50 JPY is calculated using Telegraphic Transfer Mid rate (TTM) foreign exchange rate from the MUFG Bank. Nifty 50 index value for a given trading day (T day) denominated in JPY is computed and published on the following trading day (T+1) at National Stock Exchange of India (NSE) using the corresponding TTM rate of T+1 day.

Nifty50 JPY (T day) = Closing value of Nifty 50 (T-1 day) * Exchange rate (JPY/INR) as on base date/ Exchange rate (JPY/INR) for the day (T day)

Also see:

- Index characteristics: **Click here**

3. Nifty50 Dividend Points

The Nifty 50 Dividend Points is a running total of dividend points of the securities forming part of Nifty 50 Index. It is worth noting that the Nifty 50 Dividend Points is a passive representation of annual index dividend points. It is not an active index of stocks representing a quantitative dividend-based investment strategy.

The index measures the total ordinary dividends paid in the securities forming part of the underlying index since the previous rebalancing date. Indexed dividend of Nifty 50 Index are dividends paid by index constituents expressed in terms of the level of Nifty 50 Index.

The Nifty50 Dividend Points resets to zero every year after the close of the settlement of exchange traded derivative contracts linked to Nifty 50 Index in the month of March every year. It is done to coincide with the expiry of exchange traded derivative contracts linked to Nifty 50 Index for the month.

The formula for calculating the dividend index on any date (t) for the Nifty 50 Index is:

Dividend Index (t) = Previous Dividend Index Value (t-1) + Indexed Dividend (t day)

The indexed dividend of the Nifty 50 Index is calculated by taking the summation of dividend payout (adjusted for free float) specified by index constituents divided by the index divisor on ex-dividend date.

Also see:

- Index characteristics: **Click here**

4. Nifty50 PR 1x Inverse

The Nifty50 PR 1x Inverse index aims to provide inverse return of its underlying index. A broader index provides good exposure to an economy, an inverse index on a broader index will provide the desired exposure when the investor is bearish on the markets.

- Nifty50 PR 1x Inverse Index provides the investor an opportunity to create a position which gives inverse (opposite) returns as compare to Nifty 50 PR Index
- The index is designed to provide the inverse performance of the Nifty 50 PR, representing a short position in the index

Index value calculation:

Nifty50 PR 1x Inverse Index Value =

Previous day's Nifty50 PR 1x Inverse Index Value * (1+ Nifty 50 PR 1x Inverse Index Return)

Nifty50 PR 1x Inverse Index Return =

-1*((Current Nifty PR Index Value/previous day Nifty 50 PR Index Value)-1) + (2*(previous days TREPS rate /360)*(diff. in number of days between today and previous trading day))-(previous days TREPS rate /360)*(diff. in number of days between today and previous trading day))

where TREPS is an overnight rate provided through Triparty Repo Dealing System (TREPS) by Clearing Corporation of India Ltd. (CCIL).

Also see:

- Index characteristics: **Click here**
- Index Factsheet: **Click here**

5. Nifty50 PR 2x Leverage

Nifty50 PR 2x Leverage Index is designed to generate multiple time return of the underlying index in situations where the investor borrows funds to generate index exposure beyond his/her cash position.

- Nifty50 PR 2x Leverage Index seeks twice the index return on a daily basis
- Index is designed to provide magnified exposure to Nifty 50 PR Index value

Index value calculation:

Nifty50 PR 2x Leverage Index Value =

Previous day's Nifty50 PR 2x Leverage Index Value * (1+ Nifty50 PR 2x Leverage Index Return)

Nifty50 PR 2x Leverage Index Return =

2*((Current Nifty 50 PR Index Value/previous day Nifty 50 PR Index Value)-1)- (previous days TREPS rate /360)*(diff. in number of days between today and previous trading day))

where TREPS is an overnight rate provided through Triparty Repo Dealing System (TREPS) by Clearing Corporation of India Ltd. (CCIL).

Also see:

- Index characteristics: **Click here**
- Index Factsheet: **Click here**

6. Nifty50 TR 1x Inverse

The Nifty50 TR 1x Inverse index tries to provide inverse return of its underlying index. A broader index provides good exposure to an economy, an inverse index on a broader index will provide the desired exposure when the investor is bearish on the markets.

- Nifty50 TR 1x Inverse Index provides the investor an opportunity to create a position which gives inverse (opposite) returns as compare to Nifty 50 TR Index
- The index is designed to provide the inverse performance of the Nifty 50 TR, representing a short position in the index

Index value calculation:

Nifty50 TR 1x Inverse Index Value =

Previous day's Nifty50 TR 1x Inverse Index Value * (1+ Nifty50 TR 1x Inverse Index Return)

Nifty50 TR 1x Inverse Index Return =

-1*((Current Nifty 50 TR Index Value/previous day Nifty 50 TR Index Value)-1) + (2*(previous days TREPS rate /360)*(diff. in number of days between today and previous trading day))-(previous days TREPS rate /360)*(diff. in number of days between today and previous trading day))

where TREPS is an overnight rate provided through Triparty Repo Dealing System (TREPS) by Clearing Corporation of India Ltd. (CCIL).

Also see:

- Index characteristics: **Click here**
- Index Factsheet: **Click here**

7. Nifty50 TR 2x Leverage

The Nifty50 TR 2x Leverage Index is designed to generate multiple time return of the underlying index in situations where the investor borrows funds to generate index exposure beyond his/her cash position.

- Nifty50 2x Leverage Index seeks twice the index return on a daily basis
- Index is designed to provide magnified exposure to Nifty 50

Index value calculation:

Nifty50 TR 2x Leverage Index Value =

Previous day's Nifty50 TR 2x Leverage Index Value * (1+ Nifty50 TR 2x Leverage Index Return)

Nifty50 TR 2x Leverage Index Return =

2*((Current Nifty 50 TR Index Value/previous day Nifty 50 TR Index Value)-1) - (previous days TREPS rate /360)*(diff. in number of days between today and previous trading day))

where TREPS is an overnight rate provided through Triparty Repo Dealing System (TREPS) by Clearing Corporation of India Ltd. (CCIL).

Also see:

- Index characteristics: **Click here**
- Index Factsheet: **Click here**

8. Nifty 50 Arbitrage

The Nifty 50 Arbitrage Index aims to measure the performance of such arbitrage strategies. The index measures performance of portfolio involving investment in equity and equivalent short position equity futures, short-term debt market investments and cash. Index is constructed representing strategy of long position in Nifty 50 Price Returns index and equivalent short position in Nifty 50 index futures contracts traded on NSE in equity and equity derivatives segment respectively.

Methodology

The weights of the index constituents are as under:

- 65% weight is assigned to net returns from investment in long Nifty 50 index and equivalent Nifty 50 index short futures
    - A short position in near month futures contract is considered for computation. The near month futures contract expires on last Thursday of each month. Accordingly, index will include mid-month contract from the next trading day after the expiry of near month contract
        - Close value of Nifty 50 index and daily settlement price of Nifty 50 futures contract is considered
- 30% weight is assigned to returns from 1-month MIBOR. The 1-month MIBOR is considered to represent the short term investments
- 5% weight is given to cash
- Dividends received on equity investment are expressed as dividend points index and are considered for index calculation on the Ex-dividend date. Index dividend points are dividends paid by index constituents expressed in terms of the level of Nifty 50 Index. The index dividend of the Nifty 50 Index is calculated by taking the summation of dividend pay-out (adjusted for free float) specified by index constituents divided by the index divisor on ex-dividend date
- The index is computed at end of the day using the close value of Nifty 50 index and daily settlement price of Nifty 50 futures contract
- Index has a base date of April 01, 2010 and base value of 1000

Index Calculation

$$\textbf{Nifty 50 Arbitrage Index} = Index\ Value\ _{t-1}\ X\ (1 +\ Returns_t)$$

$$\textbf{Returns} = (Equity\ Returns\ X\ 65\%) + (Debt\ Returns\ X\ 30\%) + (Cash\ X\ 5\%)$$

$$\textbf{Equity Returns} = Nifty\ 50\ Returns\ +\ Short\ Nifty\ Futures\ Returns$$

$$\textbf{Nifty 50 Returns} = LN\left(\frac{Nifty\ 50\ Index\ Value_t + Dividend\ Points\ Index_t}{Nifty\ 50\ Index\ Value_{t-1}}\right)$$

$$\textbf{Dividend Points Index} = \left(\frac{Dividend\ Payout\ on\ Ex-dividend\ date}{Index\ Divisor\ on\ Ex-dividend\ date}\right)$$

$$\textbf{Nifty 50 Short Futures Returns} = LN\left(\frac{Nifty\ 50\ Index\ Futures\ Price_t}{Nifty\ 50\ Futures\ Price_{t-1}}\right)\ X - 1$$

$$\textbf{Debt Returns}\ _T = \frac{1\ Month\ MIBOR\ Rate_{T-1}}{365} X\ Number\ of\ days$$

Where T is the Trading Day

Also see:

- Index characteristics: **Click here**
- Index Factsheet: **Click here**

9. Nifty 50 Futures

Nifty 50 is the benchmark index for the Indian equity market and also most actively traded index on F&O segment of NSE.

To provide a benchmark to track the performance of Nifty 50 Futures contract, Nifty 50 Futures Index has been developed. The Nifty 50 Futures Index will track the near month Nifty 50 index futures contract.

Two versions of the index have been created namely Nifty 50 Futures (Price return) and Nifty 50 Futures (Total Return).

Methodology

- Index is constructed using the near month Nifty 50 futures contract (Symbol: Nifty) traded on NSE
- The near month futures contract expires on last Thursday of each month. Typically, market participants start rolling over the positions to the mid-month contract. Accordingly, index will include mid-month contract 3 days prior to expiry day of contract
- The weights shall shift from Near to Mid-month contract gradually and by expiry the mid-month contract will have 70% weight in the index as given in below table:

Weights	Period before Roll over	Expiry – 3 day	Expiry – 2 day	Expiry – 1 day	Expiry day
Near	100%	75%	60%	45%	30%
Mid	0%	25%	40%	55%	70%

- The percentage shift in weights are based on the 1 year average roll over percentage (rounded to nearest 5%) observed during the expiry week
- For example, the average roll over percentage from Jan 2015 – Dec 2015 shall be applicable for index calculation between Jan 2016 to Jun 2016. The average roll over percentage from Jul 2015 –Jun 2016 shall be applicable for index calculation between Jul 2016 to Dec 2016

- Roll over is computed as : $\frac{Open\ interest\ \ in\ Next\ month\ contract}{Open\ Interest\ in\ (Near\ month + Next\ month\ contract)}\ x\ 100$
- The index is computed daily at end of day based on the daily settlement price of Nifty 50 Futures contract
- Index has a base date of April 01, 2005 and base value of 1000

Index Calculation

Price Return Index (PR) Calculation:

Price Return index is calculated considering only the daily settlement price of the underlying Nifty 50 Futures contract.

PR Index Value $_{(t)}$ = Index value $_{(t-1)}$ × (1+ PR $_{(t)}$)

$$PR_{(t)} = \frac{CP_{(t)}}{CP_{(t-1)}} - 1$$

Where;

PR $_{(t)}$ = Price return of the futures contract on current business day

CP $_{(t)}$ = Daily settlement price of the underlying contract on current business day

CP $_{(t-1)}$ = Daily settlement price of the underlying contract previous business day

On the day of roll:

The weighted price CP $_{(t)}$ of the underlying futures contract, is calculated as

$$CP_{(t)} = \frac{CP(Near)_{(t)} * Wt1_{(t)} + CP(Next)_{(t)} * Wt2_{(t)}}{CP(Near)_{(t-1)} * Wt1_{(t)} + CP(Next)_{(t-1)} * Wt2_{(t)}} - 1$$

Where;

CP (Near) $_{(t)}$ = Price of the near month contract on current business day (t)

CP (Near) $_{(t-1)}$ = Price of the near month contract on previous business day (t-1)

CP (Next) $_{(t)}$ = Price of the next month contract on current business day (t)

CP (Next) $_{(t-1)}$ = Price of the next month contract on previous business day (t-1)

Wt1 $_{(t)}$ = Weight assigned to near month contract on current business day (t)

Wt2 $_{(t)}$ = Weight assigned to next month contract on current business day (t)

Total Return Index (TR) Calculation:

The Total Return index can be used to measure total returns from futures and investment in risk free instrument.

The index uses previous 30 day MIBOR as a risk free instrument for computing the total return index. MIBOR is used as a reference rate in money market.

$$\text{TR Index Value}_{(t)} = \text{TR Index value}_{(t-1)} * (1 + \text{TR}_{(t)})$$

$$\text{Total Return (TR)} = \text{Price return}_{(t)} + \text{Risk free return}_{(t)}$$

$$\text{Risk free return}_{(t)} = \text{MIBOR}_{(t-1)} \times \frac{\text{Number of days between t and t}-1 \text{ business days}}{365}$$

Also see:

- Index characteristics: **Click here**
- Index Factsheet: **Click here**

10. Nifty50 Equal Weight

Please see detailed methodology under strategy indices category of this document.

Index Characteristics

Broad market indices:

Sr. No.	Index Names	Base Date	Base Index Value	Weighing	Capping	Calculation Frequency	Number of Constituents
1	Nifty 50	Nov 03, 1995	1000	Free float	-	Real-time	Fixed
2	Nifty Next 50	Nov 04, 1996	1000	Free float	Yes	Real-time	Fixed
3	Nifty 100	Jan 01, 2003	1000	Free float	-	Real-time	Fixed
4	Nifty 200	Jan 01, 2004	1000	Free float	-	Real-time	Fixed
5	Nifty 500	Jan 01, 1995	1000	Free float	-	Real-time	Fixed
6	Nifty Midcap 150	Apr 01, 2005	1000	Free float	-	Real-time	Fixed
7	Nifty Midcap 50	Jan 01, 2004	1000	Free float	-	Real-time	Fixed
8	Nifty Midcap 100	Jan 01, 2003	1000	Free float	-	Real-time	Fixed
9	Nifty Midcap Select	Oct 03, 2005	1000	Free float	-	Real-time	Fixed
10	Nifty Smallcap 250	Apr 01, 2005	1000	Free float	-	Real-time	Fixed
11	Nifty Smallcap 50	Apr 01, 2005	1000	Free float	-	Real-time	Fixed
12	Nifty Smallcap 100	Jan 01, 2004	1000	Free float	-	Real-time	Fixed
13	Nifty LargeMidcap 250	Apr 01, 2005	1000	Free float	Yes	Real-time	Fixed
14	Nifty MidSmallcap 400	Apr 01, 2005	1000	Free float	-	Real-time	Fixed
15	Nifty MidSmallcap400 50:50	Apr 01, 2005	1000	Free float	Yes	End of day	Fixed
16	Nifty500 Multicap 50:25:25	Apr 01, 2005	1000	Free float	Yes	Real-time	Fixed
17	Nifty500 LargeMidSmall Equal-Cap Weighted	Apr 01, 2005	1000	Free float	Yes	Real-time	Fixed
18	Nifty Microcap 250	Apr 01, 2005	1000	Free float	-	Real-time	Fixed
19	Nifty Total Market	Apr 01, 2005	1000	Free float	-	Real-time	Fixed
20	Nifty Smallcap 500	Apr 01, 2005	1000	Free float	-	End of day	Fixed
21	Nifty India FPI 150	Oct 03, 2022	1000	Foreign investible free float	-	Real-time	Fixed

Note: See detailed methodology for stock capping under relevant index

Sectoral indices:

Sr. No.	Index Names	Base Date	Base Index Value	Weighing	Capping *	Calculation Frequency	Number of Constituents
1	Nifty Auto	Jan 01, 2004	1000	Free float	33%	Real-time	Fixed
2	Nifty Bank	Jan 01, 2000	1000	Free float	19%^	Real-time	Fixed
3	Nifty Cement	Apr 01, 2005	1000	Free float	15%	End of day	Fixed
4	Nifty Chemicals	Apr 01, 2005	1000	Free float	33%	Real-time	Fixed
5	Nifty Consumer Durables	Apr 01, 2005	1000	Free float	33%	Real-time	Fixed
6	Nifty Financial Services	Jan 01, 2004	1000	Free float	19%^	Real-time	Fixed
7	Nifty Financial Services 25/50#	Jan 01, 2004	1000	Free float	22.5%	Real-time	Fixed
8	Nifty Financial Services Ex-Bank	Apr 01, 2005	1000	Free float	25%	Real-time	Fixed
9	Nifty FMCG	Jan 01, 1996	1000	Free float	33%	Real-time	Fixed
10	Nifty Healthcare	Apr 01, 2004	1000	Free float	33%	Real-time	Fixed
11	Nifty IT	Jan 01, 1996	100	Free float	33%	Real-time	Fixed
12	Nifty Media	Dec 30, 2005	1000	Free float	33%	Real-time	Fixed
13	Nifty Metal	Jan 01, 2004	1000	Free float	33%	Real-time	Fixed
14	Nifty Oil & Gas	Apr 01, 2005	1000	Free float	33%	Real-time	Fixed
15	Nifty Pharma	Jan 01, 2001	1000	Free float	33%	Real-time	Fixed
16	Nifty Private Bank	May 01, 2004	1000	Free float	23%	Real-time	Fixed
17	Nifty PSU Bank	Jan 01, 2004	1000	Free float	33%	Real-time	Variable

Sr. No.	Index Names	Base Date	Base Index Value	Weighing	Capping *	Calculation Frequency	Number of Constituents
18	Nifty Realty	Dec 29, 2006	1000	Free float	33%	Real-time	Fixed
19	Nifty500 Healthcare	Apr 01, 2005	1000	Free float	10%	Real-time	Fixed
20	Nifty REITs & Realty	Jul 01, 2021	1000	Free float	15%^	End of day	Fixed
21	Nifty MidSmall Financial Services	Apr 01, 2005	1000	Free float	33%	Real-time	Fixed
22	Nifty MidSmall Healthcare	Apr 01, 2005	1000	Free float	33%	Real-time	Fixed
23	Nifty MidSmall IT & Telecom	Apr 01, 2005	1000	Free float	33%	Real-time	Fixed

* No single stock shall be more than the capping limit prescribed above and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing

No single stock shall be more than the capping limit prescribed above and cumulative weights of stocks more than 4.5% shall not be more than 45% at the time of rebalancing

^ Refer to methodology document for detailed capping limits.

Nifty 50 Variants:

Sr. No.	Index Names	Base Date	Base Index Value	Calculation Frequency	Number of Constituents
1	Nifty50 USD	Nov 03, 1995	1000	Real-time	Fixed
2	Nifty50 Dividend Points	-	-	Beginning of day	Fixed
3	Nifty50 PR 1x Inverse	Apr 02, 2009	1000	Real-time	Fixed
4	Nifty50 PR 2x Leverage	Apr 02, 2009	1000	Real-time	Fixed
5	Nifty50 TR 1x Inverse	Apr 02, 2009	1000	Real-time	Fixed
6	Nifty50 TR 2x Leverage	Apr 02, 2009	1000	Real-time	Fixed
7	Nifty 50 Arbitrage	Apr 01, 2010	1000	End of day	Fixed
8	Nifty 50 Futures	Apr 01, 2005	1000	End of day	Fixed
9	Nifty50 Equal Weight	Nov 03, 1995	1000	Real-time	Fixed

Thematic indices:

Sr. No.	Index Names	Base Date	Base Index Value	Weighing	Capping*	Calculation Frequency	Number of Constituents
1	Nifty India Corporate Group Index - Aditya Birla Group	Apr 01, 2005	1000	Full market capitalization	-	End of day	Variable
2	Nifty Capital Markets	Apr 01, 2019	1000	Free float	20%	Real-time	Fixed
3	Nifty Commodities	Jan 01, 2004	1000	Free float	10%	Real-time	Fixed
4	Nifty Conglomerate 50	Apr 01, 2005	1000	Free float	23% and 10%#	End of day	Fixed
5	Nifty Core Housing	Apr 01, 2005	1000	Free float	15%	Real-time	Fixed
6	Nifty CPSE	Jan 01, 2009	1000	Free float	20%	Real-time	Fixed
7	Nifty Energy	Jan 01, 2001	1000	Free float	10%#	Real-time	Fixed
8	Nifty Housing	Apr 01, 2005	1000	Free float	10%#	Real-time	Fixed
9	Nifty India Consumption	Jan 02, 2006	1000	Free float	10%	Real-time	Fixed
10	Nifty India Defence	Apr 02, 2018	1000	Free float	20%	Real-time	Fixed
11	Nifty India Digital	Apr 01, 2005	1000	Free float	7.5%#	Real-time	Variable
12	Nifty India Tourism	Apr 01, 2005	1000	Free float	20%	Real-time	Fixed
13	Nifty EV & New Age Automotive	Apr 01, 2018	1000	Free float	8% and 4%#	Real-time	Variable
14	Nifty India Infrastructure & Logistics	Apr 01, 2005	1000	Free float	20% and 5%#	Real-time	Fixed
15	Nifty India Internet	Oct 01, 2021	1000	Free float	20%	Real-time	Variable
16	Nifty India Manufacturing #	Apr 01, 2005	1000	Free float	5%	Real-time	Variable

Sr. No.	Index Names	Base Date	Base Index Value	Weighing	Capping*	Calculation Frequency	Number of Constituents
17	Nifty India New Age Consumption	Apr 01, 2005	1000	Free float	5%#	Real-time	Fixed
18	Nifty India Railways PSU	Apr 01, 2021	1000	Free float	20%#	End of day	Variable
19	Nifty India Select 5 Corporate Groups (MAATR)	Apr 01, 2005	1000	Free float	23% and 15%#	End of day	Variable
20	Nifty Infrastructure	Jan 01, 2004	1000	Free float	20%	Real-time	Fixed
21	Nifty India Corporate Group Index - Mahindra Group	Apr 01, 2005	1000	Full market capitalization	-	End of day	Variable
22	Nifty IPO	Jan 02, 2017	1000	Free float	10%	Real-time	Fixed
23	Nifty Midcap Liquid 15	Jan 01, 2009	1000	Free float	15%	Real-time	Fixed
24	Nifty MidSmall India Consumption	Apr 01, 2005	1000	Free float	10%	Real-time	Fixed
25	Nifty MNC	Dec 31, 1994	1000	Free float	10%	Real-time	Fixed
26	Nifty Mobility	Apr 01, 2005	1000	Free float	8% and 5%#	Real-time	Fixed
27	Nifty Non-Cyclical Consumer	Apr 01, 2005	1000	Free float	10%	Real-time	Fixed
28	Nifty PSE	Jan 01, 1995	1000	Free float	Yes	Real-time	Fixed
29	Nifty Rural	Apr 01, 2005	1000	Free float	10%#	Real-time	Fixed
30	Nifty Services Sector	Jun 01, 1999	1000	Free float	Yes	Real-time	Fixed
31	Nifty Shariah 25	Jan 01, 2009	1000	Free float	10%	Real-time	Fixed
32	Nifty India Corporate Group Index - Tata Group	Apr 01, 2005	1000	Full market capitalization	-	Real-time	Variable
33	Nifty India Corporate Group Index - Tata Group 25% Cap	Apr 01, 2005	1000	Free float	25%	Real-time	Fixed
34	Nifty Transportation & Logistics	Apr 01, 2005	1000	Free float	20%	Real-time	Fixed
35	Nifty Waves	Apr 01, 2005	1000	Free float	5%	Real-time	Variable
36	Nifty100 Liquid 15	Jan 01, 2009	1500	Free float	15%	Real-time	Fixed
37	Nifty50 Shariah	Dec 29, 2006	1000	Free float	33%	Real-time	Variable
38	Nifty500 Shariah	Dec 29, 2006	1000	Free float	33%	Real-time	Variable
39	Nifty500 Multicap India Manufacturing 50:30:20#	Apr 01, 2005	1000	Free float	10%	Real-time	Fixed
40	Nifty500 Multicap Infrastructure 50:30:20#	Apr 01, 2005	1000	Free float	10%	Real-time	Fixed
41	Nifty SME EMERGE	Dec 01, 2016	1000	Free float	-	Real-time	Variable
42	Nifty100 ESG #	Apr 01, 2011	1000	Tilt weighted	8%	Real-time	Variable
43	Nifty100 Enhanced ESG #	Apr 01, 2011	1000	Tilt weighted	8%	Real-time	Variable
44	Nifty100 ESG Sector Leaders	Jan 01, 2014	1000	Free float	10%	Real-time	Variable
45	Nifty REITs & InvITs^	Jul 01, 2019	1000	Free float	33%	End of day	Variable

* No single stock shall be more than the capping limit prescribed above and weights of top 3 stocks cumulatively shall not be more than 62% at the time of rebalancing

See detailed methodology for sector/industry and stock capping under relevant index

^ No single stock shall be more than the capping limit prescribed above and weights of top 3 stocks cumulatively shall not be more than 72% at the time of rebalancing

Strategy indices:

Sr. No.	Index Names	Base Date	Base Index Value	Weighing	Capping	Calculation Frequency	Number of Constituents
1	Nifty Alpha 50	Dec 31, 2003	1000	Score	-	Real-time	Fixed
2	Nifty Alpha Low-Volatility 30 #	Apr 01, 2005	1000	Multi factor	5%	Real-time	Fixed
3	Nifty Alpha Quality Low-Volatility 30 #	Apr 01, 2005	1000	Multi factor	5%	Real-time	Fixed
4	Nifty Alpha Quality Value Low-Volatility 30 #	Apr 01, 2005	1000	Multi factor	5%	Real-time	Fixed
5	Nifty Dividend Opportunities 50	Oct 01, 2007	1000	Free float	10%	Real-time	Fixed
6	Nifty Growth Sectors 15	Jan 01, 2009	1000	Free float	15%	Real-time	Fixed
7	Nifty High Beta 50	Dec 31, 2003	1000	Score	-	Real-time	Fixed
8	Nifty Low Volatility 50	Dec 31, 2003	1000	Score	-	Real-time	Fixed
9	Nifty Quality Low-Volatility 30 #	Apr 01, 2005	1000	Multi factor	5%	Real-time	Fixed
10	Nifty Top 10 Equal Weight	Mar 02, 2006	1000	Equal Weight	-	Real-time	Fixed
11	Nifty Top 15 Equal Weight	Mar 02, 2006	1000	Equal Weight	-	Real-time	Fixed
12	Nifty Top 20 Equal Weight	Mar 02, 2006	1000	Equal Weight	-	Real-time	Fixed
13	Nifty500 Equal Weight	Apr 01, 2005	1000	Equal Weight	-	Real-time	Fixed
14	Nifty100 Equal Weight	Jan 01, 2003	1000	Equal Weight	-	Real-time	Fixed
15	Nifty100 Alpha 30 #	Apr 01, 2005	1000	Tilt	Yes	Real-time	Fixed
16	Nifty200 Alpha 30 #	Apr 01, 2005	1000	Score	5%	Real-time	Fixed
17	Nifty100 Low Volatility 30 #	Apr 01, 2005	1000	Score	3%	Real-time	Fixed
18	Nifty200 Momentum 30 #	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
19	Nifty Midcap150 Momentum 50#	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
20	Nifty500 Flexicap Quality 30*	Oct 01,2009	1000	Equal Weight	-	Real-time	Fixed
21	Nifty500 Low Volatility 50#	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
22	Nifty500 Momentum 50#	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
23	Nifty500 Quality 50#	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
24	Nifty500 Multifactor MQVLv 50#	Apr 01, 2005	1000	Multi factor	5%	Real-time	Fixed
25	Nifty100 Quality 30 #	Oct 01, 2009	1000	Tilt	5%	Real-time	Fixed
26	Nifty200 Quality 30 #	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
27	Nifty Midcap150 Quality 50 #	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
28	Nifty Smallcap250 Quality 50 #	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
29	Nifty Total Market Momentum Quality 50#	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
30	Nifty500 Multicap Momentum Quality 50	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
31	Nifty MidSmallcap400 Momentum Quality 100	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
32	Nifty Smallcap250 Momentum Quality 100	Apr 01, 2005	1000	Tilt	3%	Real-time	Fixed
33	Nifty50 Equal Weight	Nov 03, 1995	1000	Equal Weight	-	Real-time	Fixed
34	Nifty50 Value 20	Jan 01, 2009	1000	Free float	15%	Real-time	Fixed
35	Nifty200 Value 30 #	Apr 01, 2005	1000	Tilt	5%	Real-time	Fixed
36	Nifty500 Value 50 #	Apr 01, 2005	1000	Tilt	Yes	Real-time	Fixed

See detailed methodology for sector and stock capping as may be applicable

*See detailed methodology for segment and stock weighing mechanism as may be applicable

Index reconstitution and rebalancing

All Nifty indices are reconstituted at pre-defined periodicity as tabulated hereunder. Unless mentioned otherwise in the methodology document, the additional index reconstitution may be undertaken:

- in case any of the index constituent undergoes merger, demerger, delisting, specific cases of capital restructuring etc.
- in case any of the index constituent is moved to BZ/ SZ series
- if trading permission of any of the index constituent is withdrawn from F&O segment (in case of indices where it is mandatory that all the constituents of an index must be available for trading in F&O)
- if a security is suspended for trading from Capital Market or SME Emerge at NSE for any reason
- in case of any adverse regulatory findings or orders issued against any of the index constituent that necessitates removal of such stock from the index

In case of merger/ amalgamation, transferor company (a company which is being merged into another company) shall be excluded from index on the ex-date (T Day) of merger i.e. closing of T-1 day as mentioned below:

- Indices with fixed number of constituents: On ex-date, a replacement of company will be made based on the eligibility criteria of respective indices in place of transferor company which is being excluded
- Indices with variable number of constituents: On ex-date, no replacement will be made in place of the transferor company which is being excluded
- Announcement of the changes shall be made providing notice of minimum three working days including the indices on which Futures and Options are traded at NSE
- Equity shares, investible weight factor of merged entity (combined entity post-merger) shall be updated based on the terms of merger on the ex-date of merger i.e. closing of T-1 day

In case of capital restructuring or voluntary delisting, equity shareholders' approval is considered as a trigger to initiate the replacement of such stock from the index through

additional index reconstitution. For all other cases, replacements will be initiated based on notifications issued by the Exchange.

Further, on a quarterly basis, all indices (excluding Nifty Corporate Group, Nifty IPO, Nifty SME Emerge and Nifty Waves) will be screened for compliance with the portfolio concentration norms for equity ETFs/ Index Funds announced by SEBI on January 10, 2019. In case of non-compliance of any of the stated norms, suitable corrective measures such as replacement of ineligible stock, re-alignment of constituent weights will be undertaken depending upon the nature of non-compliance to ensure the compliance of norms.

Replacement of stocks resulting from periodic index reconstitution will be implemented from the last trading day (beginning of day) of March, June, September and December depending upon the review frequency as may be applicable for each index.

In case of scheduled reconstitution of broad market indices, a four weeks' prior notice is given to the market participants. For reconstitution of other indices (whether scheduled or additional), prior notice of minimum 5 working days is given to the relevant market participants in a suitable manner. Index Maintenance Sub-Committee (Equity) in exceptional situation may announce reconstitution of any index with a notice of less than 5 working days.

Index rebalancing:

In case of capped indices, capping of stocks will be implemented from the last trading day of March, June, September and December by taking into account closing prices as on T-3 basis, where T day is last trading day of March, June, September and December.

Quarterly rebalancing of shares and investible weight factors will be implemented from the last trading day of March, June, September and December.

Weight reset in case of ad-hoc reconstitution of indices:

- Indices with fixed number of constituents: The weight of all stocks in the index shall be realigned from their drifted weights to their original capping limits
- Indices with variable number of constituents: The weight of the stock being excluded shall be redistributed among the other index constituents proportionally.

Index reconstitution schedule:

Broad market indices:

Sr. No.	Index Names	Review Frequency	Reconstitution effective from*
1	Nifty 50	Semi Annual	March, September
2	Nifty Next 50	Semi Annual	March, September
3	Nifty 100	Semi Annual	March, September
4	Nifty 200	Semi Annual	March, September
5	Nifty 500	Semi Annual	March, September
6	Nifty Midcap 150	Semi Annual	March, September
7	Nifty Midcap 50	Semi Annual	March, September
8	Nifty Midcap 100	Semi Annual	March, September
9	Nifty Midcap Select	Semi Annual	March, September
10	Nifty Smallcap 250	Semi Annual	March, September
11	Nifty Smallcap 50	Semi Annual	March, September
12	Nifty Smallcap 100	Semi Annual	March, September
13	Nifty LargeMidcap 250	Semi Annual	March, September
14	Nifty MidSmallcap 400	Semi Annual	March, September
15	Nifty MidSmallcap400 50:50	Semi Annual	March, September
16	Nifty500 Multicap 50:25:25	Semi Annual	March, September
17	Nifty500 LargeMidSmall Equal-Cap Weighted	Semi Annual	March, September
18	Nifty Microcap 250	Semi Annual	March, September
19	Nifty Total Market	Semi Annual	March, September
20	Nifty Smallcap 500	Semi Annual	March, September
21	Nifty India FPI 150	Quarterly	March, June, September, December

Sectoral indices:

Sr. No.	Index Names	Review Frequency	Reconstitution effective from*
1	Nifty Auto	Semi Annual	March, September
2	Nifty Bank	Semi Annual	March, September
3	Nifty Cement	Semi Annual	March, September
4	Nifty Chemicals	Semi Annual	March, September
5	Nifty Consumer Durables	Semi Annual	March, September
6	Nifty Financial Services	Semi Annual	March, September
7	Nifty Financial Services 25/50	Semi Annual	March, September
8	Nifty Financial Services Ex-Bank	Semi Annual	March, September
9	Nifty FMCG	Semi Annual	March, September
10	Nifty IT	Semi Annual	March, September
11	Nifty Healthcare	Semi Annual	March, September
12	Nifty Media	Semi Annual	March, September
13	Nifty Metal	Semi Annual	March, September
14	Nifty Oil & Gas	Semi Annual	March, September
15	Nifty Pharma	Semi Annual	March, September
16	Nifty Private Bank	Semi Annual	March, September
17	Nifty PSU Bank	Semi Annual	March, September
18	Nifty Realty	Semi Annual	March, September
19	Nifty500 Healthcare	Semi Annual	March, September
20	Nifty REITs & Realty	Quarterly	March, June, September, December
21	Nifty MidSmall Financial Services	Semi Annual	March, September
22	Nifty MidSmall Healthcare	Semi Annual	March, September

23	Nifty MidSmall IT & Telecom	Semi Annual	March, September

Thematic indices:

Sr. No.	Index Names	Review Frequency	Reconstitution effective from*
1	Nifty India Corporate Group Index - Aditya Birla Group	Quarterly	March, June, September, December
2	Nifty Capital Markets	Semi Annual	March, September
3	Nifty Commodities	Semi Annual	March, September
4	Nifty Conglomerate 50	Quarterly	March, June, September, December
5	Nifty Core Housing	Semi Annual	March, September
6	Nifty CPSE	-	-
7	Nifty Energy	Semi Annual	March, September
8	Nifty Housing	Semi Annual	March, September
9	Nifty India Consumption	Semi Annual	March, September
10	Nifty India Defence	Semi Annual	March, September
11	Nifty India Digital	Semi Annual	March, September
12	Nifty India Tourism	Semi Annual	March, September
13	Nifty EV & New Age Automotive	Semi Annual	March, September
14	Nifty India Infrastructure & Logistics	Semi Annual	March, September
15	Nifty India Internet	Semi Annual	March, September
16	Nifty India Manufacturing	Semi Annual	March, September
17	Nifty India New Age Consumption	Semi Annual	March, September
18	Nifty India Railways PSU	Semi Annual	March, September
19	Nifty India Select 5 Corporate Groups (MAATR)	Quarterly	March, June, September, December
20	Nifty Infrastructure	Semi Annual	March, September
21	Nifty India Corporate Group Index - Mahindra Group	Quarterly	March, June, September, December
22	Nifty IPO	Quarterly	March, June, September, December
23	Nifty Midcap Liquid 15	Semi Annual	March, September
24	Nifty MidSmall India Consumption	Semi Annual	March, September
25	Nifty MNC	Semi Annual	March, September
26	Nifty Mobility	Semi Annual	March, September
27	Nifty Non-Cyclical Consumer	Semi Annual	March, September
28	Nifty PSE	Semi Annual	March, September
29	Nifty Rural	Semi Annual	March, September
30	Nifty Services Sector	Semi Annual	March, September
31	Nifty Shariah 25	Semi Annual	March, September
32	Nifty India Corporate Group Index - Tata Group	Quarterly	March, June, September, December
33	Nifty India Corporate Group Index - Tata Group 25% Cap	Semi Annual	March, September
34	Nifty Transportation & Logistics	Semi Annual	March, September
35	Nifty Waves	Semi Annual	March, September
36	Nifty100 Liquid 15	Semi Annual	March, September
37	Nifty50 Shariah#	Semi Annual	-
38	Nifty500 Shariah#	Semi Annual	-
39	Nifty500 Multicap India Manufacturing 50:30:20	Semi Annual	March, September
40	Nifty500 Multicap Infrastructure 50:30:20	Semi Annual	March, September
41	Nifty SME EMERGE	Quarterly	March, June, September, December
42	Nifty100 ESG	Semi Annual	June, December
43	Nifty100 Enhanced ESG	Semi Annual	June, December

Sr. No.	Index Names	Review Frequency	Reconstitution effective from*
44	Nifty100 ESG Sector Leaders	Semi Annual	June, December
45	Nifty REITs & InvITs	Quarterly	March, June, September, December

In case of any replacements as part of monthly Shariah compliance, the same will be implemented from the last working day of respective month

Strategy indices:

Sr. No.	Index Names	Review Frequency	Reconstitution effective from*
1	Nifty Alpha 50	Quarterly	March, June, September, December
2	Nifty Alpha Low-Volatility 30	Semi Annual	June, December
3	Nifty Alpha Quality Low-Volatility 30	Semi Annual	June, December
4	Nifty Alpha Quality Value Low-Volatility 30	Semi Annual	June, December
5	Nifty Dividend Opportunities 50	Annual	March
6	Nifty Growth Sectors 15	Semi Annual	March, September
7	Nifty High Beta 50	Quarterly	March, June, September, December
8	Nifty Low Volatility 50	Quarterly	March, June, September, December
9	Nifty Quality Low-Volatility 30	Semi Annual	June, December
10	Nifty Top 10 Equal Weight	Semi Annual	March, September
11	Nifty Top 15 Equal Weight	Semi Annual	March, September
12	Nifty Top 20 Equal Weight	Semi Annual	March, September
13	Nifty500 Equal Weight	Semi Annual	March, September
14	Nifty100 Equal Weight	Semi Annual	March, September
15	Nifty100 Alpha 30	Quarterly	March, June, September, December
16	Nifty200 Alpha 30	Quarterly	March, June, September, December
17	Nifty100 Low Volatility 30	Quarterly	March, June, September, December
18	Nifty200 Momentum 30	Semi Annual	June, December
19	Nifty Midcap150 Momentum 50	Semi Annual	June, December
20	Nifty500 Flexicap Quality 30	Semi Annual	June, December
21	Nifty500 Low Volatility 50	Semi Annual	June, December
22	Nifty500 Momentum 50	Semi Annual	June, December
23	Nifty500 Quality 50	Semi Annual	June, December
24	Nifty500 Multifactor MQVLv 50	Semi Annual	June, December
25	Nifty100 Quality 30	Semi Annual	June, December
26	Nifty200 Quality 30	Semi Annual	June, December
27	Nifty Midcap150 Quality 50	Semi Annual	June, December
28	Nifty Smallcap250 Quality 50	Semi Annual	June, December
29	Nifty Total Market Momentum Quality 50	Semi Annual	June, December
30	Nifty500 Multicap Momentum Quality 50	Semi Annual	June, December
31	Nifty MidSmallcap400 Momentum Quality 100	Semi Annual	June, December
32	Nifty Smallcap250 Momentum Quality 100	Semi Annual	June, December
33	Nifty50 Equal Weight	Semi Annual	March, September
34	Nifty50 Value 20	Annual	December
35	Nifty200 Value 30	Semi Annual	June, December
36	Nifty500 Value 50	Semi Annual	June, December

* The effective date for index reconstitution of index is the last trading day of respective month. The Index Maintenance Sub-Committee (Equity) may revise the reconstitution dates stated above in case of exceptional cases.

Eligible basic industries for selection in sectoral and thematic indices

Sectoral indices:

Index	Basic Industry
Nifty Auto	2/3 Wheelers
	Auto Components & Equipments
	Auto Dealer
	Castings & Forgings
	Commercial Vehicles
	Passenger Cars & Utility Vehicles
	Tractors
	Trading - Auto Components
	Tyres & Rubber Products
Nifty Bank	Other Bank
	Private Sector Bank
	Public Sector Bank
Nifty Cement	Cement & Cement Products
Nifty Chemicals	Commodity Chemicals
	Specialty Chemicals
	Carbon Black
	Dyes and Pigments
	Explosives
	Petrochemicals
	Printing Inks
	Trading – Chemicals
	Industrial Gases
	Fertilizers
	Pesticides & Agrochemicals
Nifty Consumer Durables	Ceramics
	Consumer Electronics
	Cycles
	Footwear
	Furniture, Home Furnishing
	Gems, Jewellery And Watches
	Glass - Consumer
	Granites & Marbles
	Household Appliances
	Houseware
	Leather And Leather Products
	Leisure Products
	Plastic Products - Consumer
	Plywood Boards/ Laminates
	Sanitary Ware
Nifty Financial Services	Asset Management Company
	Depositories, Clearing Houses and Other Intermediaries
	Exchange and Data Platform
	Financial Institution
	Financial Products Distributor
	Financial Technology (Fintech)

Index	Basic Industry
	General Insurance
	Holding Company
	Housing Finance Company
	Insurance Distributors
	Investment Company
	Life Insurance
	Microfinance Institutions
	Non Banking Financial Company (NBFC)
	Other Bank
	Other Capital Market related Services
	Other Financial Services
	Other Insurance Companies
	Private Sector Bank
	Public Sector Bank
	Ratings
	Securitisation
	Stockbroking & Allied
Nifty Financial Services Ex-Bank	Asset Management Company
	Depositories, Clearing Houses and Other Intermediaries
	Exchange and Data Platform
	Financial Institution
	Financial Products Distributor
	Financial Technology (Fintech)
	General Insurance
	Holding Company
	Housing Finance Company
	Insurance Distributors
	Investment Company
	Life Insurance
	Microfinance Institutions
	Non Banking Financial Company (NBFC)
	Other Capital Market related Services
	Other Financial Services
	Other Insurance Companies
	Ratings
	Securitisation
	Stockbroking & Allied
Nifty FMCG	Animal Feed
	Breweries & Distilleries
	Cigarettes & Tobacco Products
	Dairy Products
	Diversified FMCG
	Edible Oil
	Household Products
	Meat Products including Poultry
	Other Agricultural Products
	Other Beverages
	Other Food Products
	Packaged Foods

Index	Basic Industry
	Personal Care
	Seafood
	Stationary
	Sugar
	Tea & Coffee
Nifty Healthcare index	Biotechnology
	Healthcare Research, Analytics & Technology
	Healthcare Service Provider
	Hospital
	Medical Equipment & Supplies
	Pharmaceuticals
	Pharmacy Retail
Nifty IT	Computers - Software & Consulting
	Computers Hardware & Equipments
	Education
	IT Enabled Services
	Software Products
Nifty Media	Advertising & Media Agencies
	Digital Entertainment
	Electronic Media
	Film Production, Distribution & Exhibition
	Media & Entertainment
	Print Media
	Printing & Publication
	TV Broadcasting & Software Production
	Web based media and service
Nifty Metal	Aluminium
	Copper
	Diversified Metals
	Ferro & Silica Manganese
	Industrial Minerals
	Iron & Steel
	Iron & Steel Products
	Pig Iron
	Precious Metals
	Sponge Iron
	Trading - Metals
	Trading - Minerals
	Zinc
Nifty MidSmall Financial Services	Asset Management Company
	Depositories, Clearing Houses and Other Intermediaries
	Exchange and Data Platform
	Financial Institution
	Financial Products Distributor
	Financial Technology (Fintech)
	General Insurance
	Holding Company
	Housing Finance Company
	Insurance Distributors

Index	Basic Industry
	Investment Company
	Life Insurance
	Microfinance Institutions
	Non Banking Financial Company (NBFC)
	Other Bank
	Other Capital Market related Services
	Other Financial Services
	Other Insurance Companies
	Private Sector Bank
	Public Sector Bank
	Ratings
	Securitisation
	Stockbroking & Allied
Nifty MidSmall Healthcare	Biotechnology
	Healthcare Research, Analytics & Technology
	Healthcare Service Provider
	Hospital
	Medical Equipment & Supplies
	Pharmaceuticals
	Pharmacy Retail
Nifty MidSmall IT & Telecom	Computers - Software & Consulting
	Computers Hardware & Equipments
	Education
	IT Enabled Services
	Other Telecom Services
	Software Products
	Telecom - Cellular & Fixed line services
	Telecom - Equipment & Accessories
	Telecom - Infrastructure
Nifty Oil & Gas	Gas Transmission/Marketing
	LPG/CNG/PNG/LNG Supplier
	Lubricants
	Offshore Support Solution Drilling
	Oil Equipment & Services
	Oil Exploration & Production
	Oil Storage & Transportation
	Refineries & Marketing
	Trading - Gas
Nifty Pharma	Biotechnology
	Pharmaceuticals
Nifty Private Bank	Private Sector Bank
Nifty PSU Bank	Public Sector Bank
Nifty Realty	Residential, Commercial Projects
Nifty500 Healthcare	Biotechnology
	Healthcare Research, Analytics & Technology
	Healthcare Service Provider
	Hospital
	Medical Equipment & Supplies
	Pharmaceuticals
	Pharmacy Retail

Thematic indices:

Index	Basic Industry
Nifty Capital Markets	Asset Management Company
	Exchange and Data Platform
	Stockbroking & Allied
	Depositories, Clearing Houses and Other Intermediaries
	Financial Products Distributor
	Ratings
	Other Capital Market related Services
Nifty Commodities	Aluminium
	Aluminium, Copper & Zinc Products
	Carbon Black
	Cement & Cement Products
	Coal
	Commodity Chemicals
	Copper
	Diversified Metals
	Ferro & Silica Manganese
	Fertilizers
	Industrial Minerals
	Integrated Power Utilities
	Iron & Steel
	Iron & Steel Products
	Jute & Jute Products
	Oil Exploration & Production
	Paper & Paper Products
	Pesticides & Agrochemicals
	Pig Iron
	Power Distribution
	Power Generation
	Refineries & Marketing
	Specialty Chemicals
	Sponge Iron
	Sugar
	Trading - Coal
	Zinc
Nifty Core Housing	Cables - Electricals
	Cement & Cement Products
	Ceramics
	Consumer Electronics
	Furniture, Home Furnishing
	Glass - Consumer
	Granites & Marbles
	Household Appliances

Index	Basic Industry
	Houseware
	Housing Finance Company
	Other Construction Materials
	Paints
	Plywood Boards/ Laminates
	Residential, Commercial Projects
	Sanitary Ware
Nifty Energy	Coal
	Gas Transmission/Marketing
	Heavy Electrical Equipment
	Integrated Power Utilities
	LPG/CNG/PNG/LNG Supplier
	Lubricants
	Offshore Support Solution Drilling
	Oil Exploration & Production
	Oil Storage & Transportation
	Oil Equipment & Services
	Power - Transmission
	Power Distribution
	Power Generation
	Power Trading
	Refineries & Marketing
	Trading - Coal
	Trading - Gas
Nifty Housing	Cables - Electricals
	Cement & Cement Products
	Ceramics
	Civil Construction
	Consumer Electronics
	Furniture, Home Furnishing
	Glass - Consumer
	Granites & Marbles
	Household Appliances
	Houseware
	Housing Finance Company
	Integrated Power Utilities
	Iron & Steel
	LPG/CNG/PNG/LNG Supplier
	Other Construction Materials
	Paints
	Plywood Boards/ Laminates
	Power Distribution
	Power Generation
	Private Sector Bank
	Public Sector Bank

Index	Basic Industry
	Residential, Commercial Projects
	Sanitary Ware
Nifty India Consumption	2/3 Wheelers
	Airline
	Amusement Parks/ Other Recreation
	Animal Feed
	Breweries & Distilleries
	Ceramics
	Cigarettes & Tobacco Products
	Consumer Electronics
	Cycles
	Dairy Products
	Digital Entertainment
	Diversified consumer products
	Diversified FMCG
	Diversified Retail
	Edible Oil
	Education
	E-Learning
	Electronic Media
	E-Retail/ E-Commerce
	Film Production, Distribution & Exhibition
	Footwear
	Furniture, Home Furnishing
	Garments & Apparels
	Gems, Jewellery And Watches
	Glass - Consumer
	Granites & Marbles
	Healthcare Service Provider
	Hospital
	Hotels & Resorts
	Household Appliances
	Household Products
	Houseware
	Integrated Power Utilities
	Internet & Catalogue Retail
	Leather And Leather Products
	Leisure Products
	Media & Entertainment
	Meat Products including Poultry
	Other Beverages
	Other Consumer Services
	Other Food Products
	Other Textile Products
	Packaged Foods

Index	Basic Industry
	Paints
	Passenger Cars & Utility Vehicles
	Personal Care
	Pharmaceuticals
	Pharmacy Retail
	Plastic Products - Consumer
	Plywood Boards/ Laminates
	Power - Transmission
	Power Distribution
	Print Media
	Printing & Publication
	Railways
	Real Estate related services
	Residential, Commercial Projects
	Restaurants
	Sanitary Ware
	Seafood
	Shipping
	Speciality Retail
	Stationary
	Sugar
	Tea & Coffee
	Telecom - Cellular & Fixed line services
	Tour, Travel Related Services
	TV Broadcasting & Software Production
	Web based media and service
	Wellness
Nifty India Defence	Aerospace & Defense
	Explosives
	Ship Building & Allied Services
Nifty India Digital	Computers - Software & Consulting
	Computers Hardware & Equipments
	Digital Entertainment
	E-Learning
	E-Retail/ E-Commerce
	Financial Technology (Fintech)
	Internet & Catalogue Retail
	IT Enabled Services
	Other Telecom Services
	Software Products
	Telecom - Cellular & Fixed line services
	Telecom - Equipment & Accessories
	Tour, Travel Related Services
Nifty India Infrastructure & Logistics	Aerospace & Defense

Index	Basic Industry
	Airline
	Airport & Airport services
	Cement & Cement Products
	Civil Construction
	Commercial Vehicles
	Compressors, Pumps & Diesel Engines
	Construction Vehicles
	Emergency Services
	Food Storage Facilities
	Gas Transmission/Marketing
	Heavy Electrical Equipment
	Integrated Power Utilities
	Logistics Solution Provider
	LPG/CNG/PNG/LNG Supplier
	Multi Utilities
	Oil Storage & Transportation
	Other Construction Materials
	Other Telecom Services
	Other Utilities
	Port & Port services
	Power - Transmission
	Power Distribution
	Power Generation
	Power Trading
	Railway Wagons
	Railways
	Real Estate related services
	Residential, Commercial Projects
	Road Assets–Toll, Annuity, Hybrid- Annuity
	Road Transport
	Ship Building & Allied Services
	Shipping
	Telecom - Cellular & Fixed line services
	Telecom - Equipment & Accessories
	Telecom - Infrastructure
	Trading - Gas
	Transport Related Services
	Waste Management
	Water Supply & Management
Nifty India Manufacturing	2/3 Wheelers
	Abrasives & Bearings
	Aerospace & Defense
	Aluminium
	Aluminium, Copper & Zinc Products
	Auto Components & Equipments

Index	Basic Industry
	Biotechnology
	Cables - Electricals
	Carbon Black
	Castings & Forgings
	Ceramics
	Commercial Vehicles
	Commodity Chemicals
	Compressors, Pumps & Diesel Engines
	Consumer Electronics
	Copper
	Cycles
	Diversified consumer products
	Diversified Metals
	Dyes And Pigments
	Electrodes & Refractories
	Explosives
	Ferro & Silica Manganese
	Fertilizers
	Footwear
	Furniture, Home Furnishing
	Garments & Apparels
	Glass - Consumer
	Glass - Industrial
	Granites & Marbles
	Heavy Electrical Equipment
	Household Appliances
	Houseware
	Industrial Gases
	Industrial Products
	Iron & Steel
	Iron & Steel Products
	Leather And Leather Products
	Leisure Products
	Lubricants
	Medical Equipment & Supplies
	Other Industrial Products
	Other Textile Products
	Packaging
	Paper & Paper Products
	Passenger Cars & Utility Vehicles
	Pesticides & Agrochemicals
	Petrochemicals
	Pharmaceuticals
	Pig Iron
	Plastic Products - Consumer

Index	Basic Industry
	Plastic Products - Industrial
	Plywood Boards/ Laminates
	Precious Metals
	Printing Inks
	Railway Wagons
	Refineries & Marketing
	Rubber
	Sanitary Ware
	Ship Building & Allied Services
	Specialty Chemicals
	Sponge Iron
	Telecom - Equipment & Accessories
	Tractors
	Tyres & Rubber Products
	Zinc
Nifty India Internet	Internet & Catalogue Retail
	Financial Technology (Fintech)
	E-Retail/ E-Commerce
	Digital Entertainment
	Web based media and service
	E-learning
	Electronic Media
	Stocks from "Stockbroking & Allied" basic industry that are designated as Qualified Stock Brokers (QSBs)
	Stocks from “Tour, Travel Related Services” basic industry that have online travel agency/booking platform/tool or are online travel aggregator/distributors
	Stocks from “Pharmacy Retail” basic industry that largely provide services through a digital/online platform
Nifty India New Age Consumption	2/3 Wheelers
	Airline
	Amusement Parks/ Other Recreation
	Asset Management Company
	Auto Dealer
	Consumer Electronics
	Cycles
	Digital Entertainment
	Diversified Retail
	Education
	E-Learning
	Electronic Media
	E-Retail/ E-Commerce
	Film Production, Distribution & Exhibition
	Financial Technology (Fintech)
	Footwear
	Furniture, Home Furnishing

Index	Basic Industry
	Garments & Apparels
	Gems, Jewellery And Watches
	Hotels & Resorts
	Household Appliances
	Houseware
	Internet & Catalogue Retail
	Leather And Leather Products
	Leisure Products
	Media & Entertainment
	Other Textile Products
	Passenger Cars & Utility Vehicles
	Pharmacy Retail
	Plastic Products - Consumer
	Print Media
	Printing & Publication
	Residential, Commercial Projects
	Restaurants
	Speciality Retail
	Stockbroking & Allied
	Telecom - Cellular & Fixed line services
	Tour, Travel Related Services
	TV Broadcasting & Software Production
	Web based Media and Service
	Wellness
Nifty India Tourism	Airline
	Airport & Airport services
	Amusement Parks/ Other Recreation
	Hotels & Resorts
	Restaurants
	Tour, Travel Related Services
	Apart from the above basic industries companies which are in to manufacturing of trolley bags, suitcases, luggage are eligible to be included in the index
Nifty Infrastructure	Airline
	Airport & Airport services
	Amusement Parks/ Other Recreation
	Auto Components & Equipments
	Cement & Cement Products
	Civil Construction
	Commercial Vehicles
	Compressors, Pumps & Diesel Engines
	Construction Vehicles
	Education
	Gas Transmission/Marketing
	Heavy Electrical Equipment

Index	Basic Industry
	Hospital
	Hotels & Resorts
	Industrial Products
	Integrated Power Utilities
	Logistics Solution Provider
	LPG/CNG/PNG/LNG Supplier
	Lubricants
	Offshore Support Solution Drilling
	Oil Exploration & Production
	Oil Storage & Transportation
	Other Telecom Services
	Port & Port services
	Power - Transmission
	Power Distribution
	Power Generation
	Power Trading
	Railway Wagons
	Refineries & Marketing
	Residential, Commercial Projects
	Road Assets - Toll, Annuity, Hybrid-Annuity
	Sanitary Ware
	Ship Building & Allied Services
	Shipping
	Telecom - Cellular & Fixed line services
	Telecom - Equipment & Accessories
	Telecom - Infrastructure
	Tour, Travel Related Services
	Trading - Gas
	Tyres & Rubber Products
Nifty MidSmall India Consumption	2/3 Wheelers
	Airline
	Amusement Parks/ Other Recreation
	Animal Feed
	Breweries & Distilleries
	Ceramics
	Cigarettes & Tobacco Products
	Consumer Electronics
	Cycles
	Dairy Products
	Digital Entertainment
	Diversified consumer products
	Diversified FMCG
	Diversified Retail
	Edible Oil

Index	Basic Industry
	Education
	E-Learning
	Electronic Media
	E-Retail/ E-Commerce
	Film Production, Distribution & Exhibition
	Footwear
	Furniture, Home Furnishing
	Garments & Apparels
	Gems, Jewellery And Watches
	Glass - Consumer
	Granites & Marbles
	Healthcare Service Provider
	Hospital
	Hotels & Resorts
	Household Appliances
	Household Products
	Houseware
	Integrated Power Utilities
	Internet & Catalogue Retail
	Leather And Leather Products
	Leisure Products
	Meat Products including Poultry
	Media & Entertainment
	Other Beverages
	Other Consumer Services
	Other Food Products
	Other Textile Products
	Packaged Foods
	Paints
	Passenger Cars & Utility Vehicles
	Personal Care
	Pharmaceuticals
	Pharmacy Retail
	Plastic Products - Consumer
	Plywood Boards/ Laminates
	Power - Transmission
	Power Distribution
	Print Media
	Printing & Publication
	Railways
	Real Estate related services
	Residential, Commercial Projects
	Restaurants
	Sanitary Ware
	Seafood

Index	Basic Industry
	Shipping
	Speciality Retail
	Stationary
	Sugar
	Tea & Coffee
	Telecom - Cellular & Fixed line services
	Tour, Travel Related Services
	TV Broadcasting & Software Production
	Web based media and service
	Wellness
Nifty Mobility	2/3 Wheelers
	Abrasives & Bearings
	Airline
	Airport & Airport services
	Auto Components & Equipments
	Auto Dealer
	Castings & Forgings
	Commercial Vehicles
	Gas Transmission/Marketing
	Logistics Solution Provider
	LPG/CNG/PNG/LNG Supplier
	Passenger Cars & Utility Vehicles
	Port & Port services
	Railway Wagons
	Railways
	Refineries & Marketing
	Road Assets - Toll, Annuity, Hybrid-Annuity
	Ship Building & Allied Services
	Shipping
	Tour, Travel Related Services
	Tractors
	Trading - Auto Components
	Tyres & Rubber Products
	Apart from the above basic industries, E-Commerce companies which are into delivery are eligible to be included
Nifty Non-Cyclical Consumer	Advertising & Media Agencies
	Airline
	Amusement Parks/ Other Recreation
	Animal Feed
	Breweries & Distilleries
	Ceramics
	Cigarettes & Tobacco Products
	Consumer Electronics
	Cycles
	Dairy Products

Index	Basic Industry
	Digital Entertainment
	Distributors
	Diversified consumer products
	Diversified FMCG
	Diversified Retail
	Edible Oil
	Education
	E-Learning
	E-Retail/ E-Commerce
	Film Production, Distribution & Exhibition
	Footwear
	Furniture, Home Furnishing
	Garments & Apparels
	Gems, Jewellery And Watches
	Glass - Consumer
	Granites & Marbles
	Hotels & Resorts
	Household Appliances
	Household Products
	Houseware
	Internet & Catalogue Retail
	Leather And Leather Products
	Media & Entertainment
	Other Agricultural Products
	Other Beverages
	Other Consumer Services
	Other Telecom Services
	Other Textile Products
	Packaged Foods
	Paints
	Personal Care
	Pharmacy Retail
	Plastic Products - Consumer
	Plywood Boards/ Laminates
	Print Media
	Printing & Publication
	Restaurants
	Sanitary Ware
	Speciality Retail
	Stationary
	Sugar
	Tea & Coffee
	Telecom - Cellular & Fixed line services
	Tour, Travel Related Services
	Trading - Textile Products

Index	Basic Industry
	TV Broadcasting & Software Production
	Wellness
Nifty Rural	2/3 Wheelers
	Aluminium, Copper & Zinc Products
	Animal Feed
	Cement & Cement Products
	Commercial Vehicles
	Construction Vehicles
	Cycles
	Diversified Commercial Services
	Diversified FMCG
	Dyes And Pigments
	Edible Oil
	Fertilizers
	Household Appliances
	Household Products
	Housing Finance Company
	Leather And Leather Products
	Life Insurance
	Non Banking Financial Company (NBFC)
	Other Agricultural Products
	Other Telecom Services
	Personal Care
	Pesticides & Agrochemicals
	Plastic Products - Industrial
	Sugar
	Tea & Coffee
	Telecom - Cellular & Fixed line services
	Tour, Travel Related Services
	Tractors
	TV Broadcasting & Software Production
	Water Supply & Management
	Dairy Products
	Footwear
	Forest Products
	Jute & Jute Products
	Paints
	Paper & Paper Products
	Pharmacy Retail
	Plastic Products - Consumer
	Packaged Foods
	Passenger Cars & Utility Vehicles
	Power Generation
	Integrated Power Utilities
	Compressors, Pumps & Diesel Engines

Index	Basic Industry
	Consumer Electronics
	Microfinance Institutions
	Other Construction Materials
	Banks that rank within top 10 ranked by percentage of its branches in rural area and top 10 ranked by number of its branches in rural areas (Data sourced from: Reserve Bank of India - Trend and Progress of Banking in India (rbi.org.in))
Nifty Services Sector	Airline
	Airport & Airport services
	Asset Management Company
	Business Process Outsourcing (BPO)/ Knowledge Process Outsourcing (KPO)
	Computers - Software & Consulting
	Depositories, Clearing Houses and Other Intermediaries
	Diversified Commercial Services
	Diversified Retail
	Education
	E-Retail/ E-Commerce
	Exchange and Data Platform
	Film Production, Distribution & Exhibition
	Financial Institution
	Financial Products Distributor
	Financial Technology (Fintech)
	Gas Transmission/Marketing
	General Insurance
	Healthcare Service Provider
	Holding Company
	Hospital
	Hotels & Resorts
	Housing Finance Company
	Insurance Distributors
	Integrated Power Utilities
	Internet & Catalogue Retail
	Investment Company
	IT Enabled Services
	Life Insurance
	Logistics Solution Provider
	LPG/CNG/PNG/LNG Supplier
	Media & Entertainment
	Non Banking Financial Company (NBFC)
	Other Bank
	Other Capital Market related Services
	Other Financial Services
	Other Insurance Companies
	Other Telecom Services
	Port & Port services

Index	Basic Industry
	Power - Transmission
	Power Distribution
	Power Generation
	Private Sector Bank
	Public Sector Bank
	Ratings
	Restaurants
	Road Assets - Toll, Annuity, Hybrid-Annuity
	Shipping
	Software Products
	Stockbroking & Allied
	Telecom - Cellular & Fixed line services
	Tour, Travel Related Services
	Trading & Distributors
	TV Broadcasting & Software Production
Nifty Transportation & Logistics	2/3 Wheelers
	Abrasives & Bearings
	Airline
	Airport & Airport services
	Auto Components & Equipments
	Auto Dealer
	Castings & Forgings
	Commercial Vehicles
	Logistics Solution Provider
	Passenger Cars & Utility Vehicles
	Port & Port services
	Railway Wagons
	Railways
	Road Assets - Toll, Annuity, Hybrid-Annuity
	Ship Building & Allied Services
	Shipping
	Tour, Travel Related Services
	Tractors
	Tyres & Rubber Products
	Apart from the above basic industries, E-Commerce companies which are into delivery are eligible to be included
Nifty Waves	Advertising & Media Agencies
	Digital Entertainment
	Electronic Media
	Film Production, Distribution & Exhibition
	Media & Entertainment
	TV Broadcasting & Software Production
	Web based media and service
Nifty500 Multicap India Manufacturing 50:30:20	2/3 Wheelers

Index	Basic Industry
	Abrasives & Bearings
	Aerospace & Defense
	Aluminium
	Aluminium, Copper & Zinc Products
	Auto Components & Equipments
	Biotechnology
	Cables - Electricals
	Carbon Black
	Castings & Forgings
	Ceramics
	Commercial Vehicles
	Commodity Chemicals
	Compressors, Pumps & Diesel Engines
	Consumer Electronics
	Copper
	Cycles
	Diversified consumer products
	Diversified Metals
	Dyes And Pigments
	Electrodes & Refractories
	Explosives
	Ferro & Silica Manganese
	Fertilizers
	Footwear
	Furniture, Home Furnishing
	Garments & Apparels
	Glass - Consumer
	Glass - Industrial
	Granites & Marbles
	Heavy Electrical Equipment
	Household Appliances
	Houseware
	Industrial Gases
	Industrial Products
	Iron & Steel
	Iron & Steel Products
	Leather And Leather Products
	Leisure Products
	Lubricants
	Medical Equipment & Supplies
	Other Industrial Products
	Other Textile Products
	Packaging
	Paper & Paper Products
	Passenger Cars & Utility Vehicles

Index	Basic Industry
	Pesticides & Agrochemicals
	Petrochemicals
	Pharmaceuticals
	Pig Iron
	Plastic Products - Consumer
	Plastic Products - Industrial
	Plywood Boards/ Laminates
	Precious Metals
	Printing Inks
	Railway Wagons
	Refineries & Marketing
	Rubber
	Sanitary Ware
	Ship Building & Allied Services
	Specialty Chemicals
	Sponge Iron
	Telecom - Equipment & Accessories
	Tractors
	Tyres & Rubber Products
	Zinc
Nifty500 Multicap Infrastructure 50:30:20	Airline
	Airport & Airport services
	Amusement Parks/ Other Recreation
	Auto Components & Equipments
	Cement & Cement Products
	Civil Construction
	Commercial Vehicles
	Compressors, Pumps & Diesel Engines
	Construction Vehicles
	Education
	Gas Transmission/Marketing
	Heavy Electrical Equipment
	Hospital
	Hotels & Resorts
	Industrial Products
	Integrated Power Utilities
	Logistics Solution Provider
	LPG/CNG/PNG/LNG Supplier
	Lubricants
	Offshore Support Solution Drilling
	Oil Exploration & Production
	Oil Storage & Transportation
	Other Telecom Services
	Port & Port services

Index	Basic Industry
	Power - Transmission
	Power Distribution
	Power Generation
	Power Trading
	Railway Wagons
	Refineries & Marketing
	Residential, Commercial Projects
	Road Assets - Toll, Annuity, Hybrid-Annuity
	Sanitary Ware
	Ship Building & Allied Services
	Shipping
	Telecom - Cellular & Fixed line services
	Telecom - Equipment & Accessories
	Telecom - Infrastructure
	Tour, Travel Related Services
	Trading - Gas
	Tyres & Rubber Products

Differential Voting Rights

Equity securities with Differential Voting Rights (DVR) are eligible for inclusion in the index subject to fulfilment of specified DVR related criteria given below:

- Market capitalisation criteria is measured at a company level by aggregating the market capitalisation of individual class of security meeting the liquidity criteria for the respective index
- Free float of DVR equity class share should be at least 10% of free-float market capitalization of the company (voting equity class share and DVR equity class share) and 100% free-float market capitalization of last security in respective index
- It should meet liquidity criteria applicable for the respective index
- Upon inclusion of DVRs in index, the index may not have fixed number of securities. For example, if DVR of an existing Nifty 50 constituent is included in Nifty 50, the Nifty index will have 51 securities but continue to have 50 companies
- It is possible that the DVR is eligible for inclusion in the index whereas the full voting rights security class is ineligible. In such scenario, the DVRs shall be included in the index irrespective of whether full voting rights share class is part of index

Investible Weight Factors (IWFs)

IWF as the term suggests is a unit of floating stock expressed in terms of a number available for trading and which are normally expected to be available for trading in the market. Higher IWF suggest greater number of shares held by the investors as reported under public category within a shareholding pattern reported by each company.

The IWFs for each company in the index are determined based on the public shareholding of the companies as disclosed in the shareholding pattern submitted to the stock exchanges on quarterly basis. The following categories are excluded from the free float factor computation where identifiable separately:

1. Shareholding reported under promoter category
2. Depository Receipts (DRs) held by promoters and promoter groups
3. Associate/group companies/ cross-holdings
4. Family members of promoter
5. Trusts managed by promoter/ promoter group companies
6. Employee Benefit Trusts/ Employee Welfare Trusts
7. Directors
8. Public shareholder representing (nominating) member on Board
9. Public shareholder entitled to represent (nominate) member on Board
10. Key Management Personnel (KMP)
11. First right of refusal in favour of company/promoters in case shareholder intends to sell the stake
12. Strategic investment by corporate bodies
13. Direct/ indirect shareholding by Central/ State Government/ Government backed corporations, Governor in case of central/ state owned company (excluding insurance companies)
14. Direct/ indirect shareholding by Central/ State Government/ Government backed corporations, Governor in company where government is not a promoter (excluding insurance companies)
15. Foreign Direct Investment
16. Private Equity Investor
17. Private Equity Fund
18. Foreign Venture Capital Investors
19. Sovereign Wealth Funds
20. Shares under lock-in period reported under public category
21. Investor Education and Protection Fund (IEPF)
22. Persons acting in concert with promoters

Example: For XYZ Ltd.

	Shares	%
Total Shares	1,00,00,000	100.00

	Shares	%
Shareholding of promoter and promoter group	19,75,000	19.75
Foreign Direct Investment	50,000	0.50
Shares held by promoters through ADR/GDRs.	2,50,000	2.50
Equity held by associate/group companies (cross-holdings)	12,575	0.13
Employee Welfare Trusts	1,45,987	1.46
Shares under lock-in category	14,78,500	14.79

IWF = [1,00,00,000 – (19,75,000 + 50,000 +2,50,000 +12,575 +1,45,987 +14,78,500)] / 1,00,00,000. = **0.608794**

The IWF will be rounded to six decimals.

Foreign Investible Factor (FIF)

Foreign investible factor (FIF) for each company is determined based on the shareholding of the companies as disclosed in the shareholding pattern submitted to the stock exchanges on quarterly basis.

Step 1: Calculate the interim IWF = Lower of IWF and Foreign Ownership Limit (FOL)

Where,

IWF is the Investible Weight factor of the company

Foreign Ownership limit (FOL) is the board approved limits as disclosed in the shareholding pattern of the companies

Step 2: Calculate the FIF = interim IWF * Adjustment Factor

FIF shall be applied as per the standard IWF criteria

Where, Adjustment Factor is determined as the table below:

Foreign Room (%)	0-0.05	0.05-0.15	0.15 - 0.25	0.25 - 0.5	0.5 -1
Adjustment Factor	0	0.25	0.5	0.75	1

Calculation of Foreign Room is as follows:

$$\text{Foreign Room (\%)} = \frac{FOL - Utilized\ limit}{FOL}$$

Where,

Utilized limit is the percentage of the foreign holdings as disclosed in the shareholding pattern of the companies

Example: Company ABC Ltd and Company XYZ Ltd.

Parameters	ABC Ltd.	XYZ Ltd.
Avg. Full Mcap	Rs. 5000 Cr	Rs. 3000 Cr
IWF	0.89	0.65
Foreign Ownership Limit (FOL)	74%	80%
Utilized Limit	50%	70%

Calculation of Interim IWF:

Steps for calculation of FIF	ABC Ltd.	XYZ Ltd.
Interim IWF = Lower of IWF and FOL	Lower (0.89, 0.74) = 0.74	Lower (0.65, 0.8) = 0.65
Foreign Room = (FOL – Utilized limit)/FOL	$= \frac{(0.74-0.50)}{0.74} = 32\%$	$= \frac{(0.80-0.7)}{0.80} = 13\%$

Steps for calculation of FIF	ABC Ltd.	XYZ Ltd.
Adjustment factor (as per the table above)	0.75	0.25
FIF = Adj. factor * interim IWF	=0.75*0.74 = 0.555000	=0.25*0.65= 0.162500
Foreign Investible Free-float mcap	=5000*0.555 = Rs. 2,775 Cr	=3000*0.1625 = Rs. 487.5 Cr

Impact Cost

Liquidity of a security can be measured through factors such as trading frequency, traded turnover, volume of shares to total shares issued, ratio of turnover to market capitalization, impact cost etc. Generally, securities with higher of each of the above factors (excluding impact cost) suggest superior liquidity on a relative basis.

Impact cost in simple words is a cost that an investor is required to incur for executing his buy or sell order as against the ideal cost of that security. Company with lower impact cost suggest the high liquidity as against the company with higher impact cost. For selection of securities in indices such as Nifty 50 and Nifty Next 50, liquidity is screened on the basis of 'impact cost' as criteria.

Liquidity in the context of stock markets means a market where large orders can be executed without incurring a high transaction cost. The transaction cost referred here is not the fixed costs typically incurred like brokerage, transaction charges, depository charges etc. but is the cost attributable to lack of market liquidity as explained subsequently. Liquidity comes from the buyers and sellers in the market, who are constantly on the lookout for buying and selling opportunities. Lack of liquidity translates into a high cost for buyers and sellers.

When a buyer or seller approaches the market with an intention to buy a particular stock, he can execute his buy order in the stock against such sell orders, which are already lying in the order book, and vice versa.

An example of an order book for a stock at a point in time is detailed below:

Buy			Sell		
Sr.No.	**Quantity**	**Price**	**Quantity**	**Price**	**Sr. No.**
1	1000	3.50	2000	4.00	5
2	1000	3.40	1000	4.05	6
3	2000	3.40	500	4.20	7
4	1000	3.30	100	4.25	8

There are four buy and four sell orders lying in the order book. The difference between the best buy and the best sell orders (in this case, ₹0.50) is the bid-ask spread. If a person places an order to buy 100 shares, it would be matched against the best available sell order at ₹4 i.e. he would buy 100 shares for ₹4. If he places a sell order for 100 shares, it would be matched against the best available buy order at ₹3.50 i.e. the shares would be sold at ₹3.5.

Hence if a person buys 100 shares and sells them immediately, he is poorer by the bid-ask spread. This spread may be regarded as the transaction cost which the market charges for the privilege of trading (for a transaction size of 100 shares).

Progressing further, it may be observed that the bid-ask spread as specified above is valid for an order size of 100 shares upto 1000 shares. However for a larger order size the transaction cost would be quite different from the bid-ask spread.

Suppose a person wants to buy and then sell 3000 shares. The sell order will hit the following buy orders:

Sr. No.	Quantity	Price
1	1000	3.50
2	1000	3.40
3	1000	3.40

while the buy order will hit the following sell orders:

Quantity	Price	Sr. No.
2000	4.00	5
1000	4.05	6

This implies an increased transaction cost for an order size of 3000 shares in comparison to the impact cost for order for 100 shares. The "bid-ask spread" therefore conveys transaction cost for a small trade.

This brings us to the concept of impact cost. We start by defining the ideal price as the average of the best bid and offer price, in the above example it is (3.5+4)/2, i.e. 3.75. In an infinitely liquid market, it would be possible to execute large transactions on both buy and sell at prices which are very close to the ideal price of ₹3.75. In reality, more than ₹3.75 per share may be paid while buying and less than ₹3.75 per share may be received while selling. Such percentage degradation that is experienced vis-à-vis the ideal price, when shares are bought or sold, is called impact cost. Impact cost varies with transaction size.

For example, in the above order book, a sell order for 4000 shares will be executed as follows:

Sr. No.	Quantity	Price	Value
1	1000	3.50	3500
2	1000	3.40	3400
3	2000	3.40	6800
Total value			13700
Weighted average price			3.43

The sale price for 4000 shares is ₹3.43, which is 8.53% worse than the ideal price of ₹3.75. Hence we say "The impact cost faced in buying 4000 shares is 8.53%".

Definition: Impact cost represents the cost of executing a transaction in a given stock, for a specific predefined order size, at any given point of time.

Impact cost is a practical and realistic measure of market liquidity; it is closer to the true cost of execution faced by a trader in comparison to the bid-ask spread.

It should however be emphasised that:

- impact cost is separately computed for buy and sell
- impact cost may vary for different transaction sizes
- impact cost is dynamic and depends on the outstanding orders
- where a stock is not sufficiently liquid, a penal impact cost is applied

In mathematical terms it is the percentage mark-up observed while buying / selling the desired quantity of a stock with reference to its ideal price (best buy + best sell) / 2.

Example A:

ORDER BOOK SNAPSHOT			
Buy Quantity	**Buy Price**	**Sell Quantity**	**Sell Price**
1000	98	1000	99
2000	97	1500	100
1000	96	1000	101

TO BUY 1500 SHARES

$$\text{Ideal Price} = \frac{99 + 98}{2} = 98.5$$

$$\text{Actual Buy Price} = \frac{(1000 \times 99) + (500 \times 100)}{1500} = 99.33$$

$$\text{IMPACT COST (FOR 1500 shares)} = \frac{99.33 - 98.50}{98.50} \times 100 = 0.84\%$$

Corporate Actions and Share Updates

Maintenance of Nifty indices includes carrying out adjustments for corporate actions like stock splits, stock dividends, share changes and scheme of arrangements. Some corporate actions, such as bonus, stock splits and reverse stock splits require simple changes in the equity shares outstanding and the stock prices of the companies in the index.

Other corporate actions such as change in equity, rights issue of shares, special dividend, change in investible weight factor (IWF) / free float results into change in the market value of an index overall and require a divisor adjustment to prevent the value of the index from changing.

This helps in keeping the value of the index accurate and ensures that the movement of the index does not get impacted due to corporate actions of the companies in it. Appropriate adjustments are made after the close of trading and after the calculation of the closing value of the index. Corporate actions such as bonus, splits, dividends, rights offerings, and share changes are applied on the ex-date.

All singular instances of changes in equity shares arising out of additional issue of capital, such as ESOPs, QIPs, ADR/GDR issues, private placements, warrant conversions, FCCB conversions, buy-back, forfeiture of shares etc. which have an impact of 5% or more on the issued share capital of the security are normally implemented on monthly basis effective from the last trading day of each month after providing a three trading days' prior notice. In case of any replacement of index constituent arising from ad-hoc index review necessitated on account of scheme of arrangement, delisting, moving of security to BZ category etc. or merger of non-constituent into an index constituent, change in shares or free float by 5% or more in all other securities are clubbed together with such stock replacement to reduce the turnover caused by frequent rebalancing by ETF/index funds tracking such indices.

Changes entailing less than 5% impact on the issued share capital or a free-float are accumulated and implemented on quarterly basis (quarterly rebalancing) with effect from the last trading day of March, June, September and December.

In case of merger of index constituents, equity shares, investible weight factor of merged entity shall be updated based on the terms of merger with effect from the ex-date (T day) of merger i.e. closing of T-1 day

Summary of Corporate Action Adjustments:

Sr. No.	Type of corporate action	Divisor Adjsutment for Market capitalization based indices (Full or free float)	Divisor Adjustment for Equal Weight/ factor based indices	Revision in the capping factor for Capped Indices
1	Rights	Divisor adjusted. Price and index shares will be adjusted based on ratio	Divisor adjusted. Price and index shares will be adjusted based on ratio	No change
2	Bonus	Divisor not adjusted. Price and index shares are adjusted based on bonus ratio resulting into no change in index market capitalization	Divisor not adjusted. Price and index shares are adjusted based on bonus ratio resulting into no change in index market capitalization	No change
3	Stock split/ Reverse stock split	Divisor not adjusted. Price and index shares are adjusted based on stock split/ reverse stock split ratio resulting into no change in index market capitalization	Divisor not adjusted. Price and index shares are adjusted based on stock split/ reverse stock split ratio resulting into no change in index market capitalization	No change
4	Special Dividend#/ Price adjustment for shorter notice to Stock Exchange for dividend payment	Divisor adjusted. Price will be reduced for special dividend amount resulting into change in the index market capitalization	Divisor adjusted. Price will be reduced for special dividend amount resulting into change in the index market capitalization	No change
5	Change in equity	Divisor adjusted. Index shares will be revised resulting into change in the index market capitalization	Divisor not adjusted as change in equity does not have any impact under this methodology	New capping factor is calculated upon quarterly rebalancing of shares
6	Change in investible weight factor (IWF) / free float	Divisor not adjusted for all indices except those computed on free-float method. IWF will be revised resulting into change in the index market capitalization	Divisor not adjusted as change in IWF does not have any impact under this methodology	New capping factor is calculated upon quarterly rebalancing of IWFs
7	Merger	Transferor company shall be excluded from index on the ex-date (T Day) of merger i.e. closing of T-1 day. Divisor is adjusted on date of replacement of stock	Transferor company shall be excluded from index on the ex-date (T Day) of merger i.e. closing of T-1 day. Divisor is adjusted on date of replacement of stock	New capping factor is calculated upon replacement of such stock
8	Demerger	No change in case stock is retained in the index. Divisor adjusted if stock is excluded from the index	No change in case stock is retained in the index Divisor adjusted if stock is excluded from the	No change in case stock is retained in the index New capping factor is calculated upon exclusion of stock
9	Replacement of stock	Divisor adjusted	Divisor adjusted	New capping factor calculated

All dividend amounts that are greater than or equal to 2% of company's market prices on date of announcements are considered as a special dividend. These dividends are adjusted in price returns index on ex. dividend date and they are further excluded from computation of total returns index.

Corporate action involving merger/ amalgamation

In case of merger/ amalgamation, transferor company (a company which is being merged into another company) shall be excluded from index on the ex-date (T Day) of merger i.e. closing of T-1 day as mentioned below:

- Indices with fixed number of constituents: On ex-date, a replacement of company will be made based on the eligibility criteria of respective indices in place of transferor company which is being excluded
- Indices with variable number of constituents: On ex-date, no replacement will be made in place of the transferor company which is being excluded
- Announcement of the changes shall be made providing notice of minimum three working days including the indices on which Futures and Options are traded at NSE
- Equity shares, investible weight factor of merged entity (combined entity post-merger) shall be updated based on the terms of merger on the ex-date of merger i.e. closing of T-1 day

Corporate action involving demerger/ spin-off

In case of scheme of arrangement for demerger of any of the index constituents where - a company is demerging its business division(s) into one or more separate new entities/companies, following adjustment shall be made:

If Special Pre-Open session (SPOS)* is conducted by the Exchange
The Demerged company shall be retained in the index. The spun off entity/entities shall be retained in the index in the form of dummy stocks (with equal weights) and shall be excluded from the index as per the below criteria: The spun off business/ entity which is the newly listed entity shall be removed from the index after end of day (EOD) of next business day (D Day) post observing two consecutive days of the spun off business/ entity not hitting the lower price band. If on such D Day, the spun off business/ entity hits the lower price band, exclusion of such stock shall not be deferred.

*In accordance with the NSE's Capital Market Consolidated Circular dated May 27, 2020, Exchange conducts special pre-open session (SPOS) for the purpose of price discovery of all stocks in cases involving corporate restructuring.

If Special Pre-Open session is not conducted by Exchange, the Demerged company shall be removed from the index at the beginning of T-1 day (close of Ex. – 2) where T day would be the

Ex. date for demerger of stock by making a suitable replacement in case of indices with fixed number of companies. No replacement (inclusion) will be made in case of indices with variable number of companies.

This treatment of the demerger shall be applicable to index constituents of Nifty Total Market and will thereby apply to Nifty equity indices which include such index constituent/s.

For other equity indices, the demerged company shall be removed from the index at the beginning of T-1 day (close of T-2 day) where T-day would be the ex-date for demerger of stock by making a suitable replacement in case of indices with fixed number of companies. No replacement (inclusion) will be made in case of indices with variable number of companies.

Detailed modalities for handling of corporate action involving demerger are given hereunder:

In order to make adjustments in Nifty equity indices in case of demerger where Exchange conducts a special pre-open session (SPOS) as stated above, following approach shall be followed:

1 For instances of demerger in case of index constituent (For example: Symbol: ABC), after close of market hours on T-1 day a dummy symbol (For example: Symbol: ABC-D) will be added to the index (where T day would be the ex. demerger date). As addition of dummy symbol in the index shall be mandatorily made as part of operational guidelines governing Nifty equity indices for handling corporate action involving demerger, separate announcement shall not be made.
2 On T day (ex. demerger day), 50 stocks index will be represented by 51 securities with initial price of dummy symbol (ABC-D) set to be zero.
3 Exchange conducts special pre-open session (SPOS) for price discovery of companies undergoing demerger from 9 a.m. to 9:45 a.m. on Ex. day of demerger (T day).
4 During the SPOS, index shall be calculated using the most recently available price of 49 stocks, previous day's closing price of ABC (50^{th} security) and Zero price of dummy symbol (ABC-D).
5 After the closure of SPOS, discovered price of the demerged company / security – ABC and indicative price of ABC-D would be calculated simultaneously as explained below:

Sr. No.	Scenarios	Demerger of non F&O stock (Post SPOS)	Demerger of F&O stock (Post SPOS)
1	Price Discovered @NSE and not discovered @other Exchanges	Once the price of parent symbol-series is discovered at 09:45 AM (last minutes of random closure) in SPOS session, immediately the discovered price (discovered based on valid trades at NSE) at NSE shall be used for price allocation on parent and dummy symbol	
2	Price Discovered @NSE & other Exchanges	Once the price of parent symbol-series is discovered at 09:45 AM (last minutes of random closure) in SPOS session, immediately the discovered price (discovered based on valid trades at NSE) at NSE shall be used for price allocation on parent and dummy symbol	

Sr. No.	Scenarios	Demerger of non F&O stock (Post SPOS)	Demerger of F&O stock (Post SPOS)
3	Price Not Discovered @NSE and discovered @other Exchanges	Once the price of parent symbol-series is discovered at other Exchange (and not discovered at NSE) at 09:45 AM (last minutes of random closure) in SPOS session, immediately the discovered price at other exchange shall be used for price allocation on parent and dummy symbol	
4	Price Not Discovered @ NSE & not discovered @ other Exchanges	Once the price is discovered on any of the subsequent days then; any one of the above scenarios may apply	Once the price is discovered on the same day or on any of the subsequent days then; any one of the above scenarios may apply

6 Indicative price of dummy symbol (ABC-D) will be computed as a difference between the previous day's closing price of the ABC and the discovered price on ex. day of demerger. In case, discovered price is greater than or equal to previous closing price, price of dummy security shall be considered as '0'.

For example:

- Closing price of ABC on T-1 day - Rs. 1000/-
- Discovered price of ABC Ltd. calculated on Ex. Day - Rs. 600/-
- Price of dummy symbol (ABC-D) would be calculated/ derived as Rs. 400/- (Prev. close Rs. 1000/- minus discovered price Rs. 600/-)
- In case, discovered price is greater than or equal to previous closing price, price of dummy security shall be considered as '0')

7 Once trading in the demerged company's stock (ABC) moves in the Normal market (from SPOS) after the prescribed time (i.e. 10:00 am currently), index would be computed sourcing the discovered price of ABC and derived price of dummy symbol ABC-D. As total consideration (price) of ABC and ABC-D remains at Rs. 1000/-, there shall be no change in the initial index value on account of such a price discovery.

8 Once demerged company is available for trading under Normal market, index shall be computed based on the latest prices of all index constituents and a constant price of dummy symbol (ABC-D) as explained earlier on a daily basis till such time new company resulting after demerger is listed/ traded at NSE. In other words, index values will be calculated considering the real time prices of all index constituents (except for dummy symbol) and for dummy symbol (ABC-D), static (derived) price (Rs. 400/-) will be considered till the listing of a new company resulting out of demerger.

9 Weightage of each scrip in the index shall be computed based on the market capitalization of all securities in the index, including the dummy symbol (for example 51 securities in 50 stock index).

10 From the actual date of listing of spun-off business/entity (ABC-D) (beginning of the day), dummy symbol (ABC-D) will be replaced by a new actual symbol (new company listed subsequent to demerger) and index will be calculated based on the prices of this new symbol. This means that a newly listed symbol would form part of the index for a temporary period as explained in subsequent point. During this temporary period, new symbol shall not be screened for compliance with index eligibility criteria.

11 New symbol shall be removed from the index after the close of trading on third day of listing at the market determined price. In case during the first 2 days of these 3 days, if the spun-off business/entity hits the lower price band on both the days, then the exclusion date shall be deferred. After observing two consecutive days of the spun-off business/entity not hitting the lower price band, such spun-off business/entity shall be removed after the closing of third day of such observation. The possible scenarios are explained hereunder:

Sr. No.	Scenario	Action
1	Spun off entity does not hit the lower price band on first two trading days of its listing	Exclusion of spun off entity shall be made after the close of 3rd trading day of its listing (initial exclusion date)
2	Spun off entity hits the lower price band on either first day of its listing or on second trading day of its listing	Exclusion of spun off entity shall be made after the close of next trading day upon observing two consecutive days of the spun off entity not hitting the lower price band.

Note: In each of the above cases, a press release announcing exclusion of spun off entity shall be issued after the close of second consecutive day of the spun off entity not hitting the lower price band.

12 Demerged company (ABC) which is retained in the index shall be screened for its continued eligibility, considering data for the period starting the ex-date till the last trading day of the next calendar month and 6 months data for other securities. Such demerged company, if found to be ineligible based on index eligibility criteria, shall be replaced, with a suitable replacement (in case of fixed number of index constituents) with effect from the last trading day of the calendar quarter subject to providing required notice period to market.

13 In case of any index constituents undergoing demerger where Exchange is not conducting a special pre-open session (SPOS), it shall be removed from Nifty indices on beginning of T-1 day (close of Ex. – 2) where T day would be the Ex. date for demerger of stock by making suitable replacement in case of indices with fixed number of companies. No replacement (inclusion) will be made in case of indices with variable number of companies. Announcement of such changes shall be made a minimum of 3 working days in advance for change in the constituents of indices including the indices on which Futures and Options are traded at NSE.

Index Calculation Formula

Market capitalization-based indices (price return):

Formula for computing price return variant of indices based on market capitalization method (full or free-float mcap method) is as under:

Index Value = Index Market Capitalisation / Base Free Float Market Capitalisation of index * Base Index Value

where Index Market Capitalization = Shares outstanding * IWF * Capping factor * Price

- IWF = 1 in case of indices computed based on full market capitalization method
- Capping factor = 1 in case of uncapped indices

where Index market capitalisation is the aggregate of market capitalisation of each scrip in the Index adjusted for free float and/or capping factor depending upon the methodology; and
Base index value is the initial value assigned to each index (For example 1000 or 100).

Equal weight/ factor-based indices (price return):

Using the divisor and modified index market capitalization, Equal weight/ factor-based indices are calculated as follows:

$\text{Index Value}_t = (\text{Modified Index Market Capitalization} / \text{Index Divisor}_t) * 1000$

$\text{Modified Index Market Capitalization} = \sum (\text{Modified Index Shares})_i * \text{Price}_i$

$\text{Modified Index Shares}_i = (\text{Weight}_i * \text{Modified Index Market Capitalization}) / \text{Price}_i$

$\text{Modified Index Shares}_i \text{ (on Base date)} = (\text{Weight}_i * \text{Base Index Divisor}) / \text{Price}_i$

Notes:

1. As on the base date, notional portfolio value of INR 1 billion has been considered as 'modified market capitalization' and 'Base Index Divisor'.
2. Modified index shares are calculated considering modified index market capitalization of the day prior to the rebalancing date. Modified shares are calculated whenever the index is rebalanced

Total Return Index Calculation:

The total return version of the index is also available, which assumes dividends are reinvested in the index after the close on the ex-date. Corporate actions like Dividend announcement do not require any adjustment in the normal price index (other than special dividend).

All dividend amounts that are greater than or equal to 2% of company's market prices on date of announcements are considered as a special dividend. These dividends are adjusted in price returns index on ex. dividend date and they are further excluded from computation of total returns index. Moreover, all dividends that are being paid by the company with shorter notice to the stock exchange are also adjusted in price return index on ex. dividend date and they are excluded from computation of total returns index.

A separate series of index i.e. Total Returns Index (TR) is calculated which shows the returns on Index portfolio, inclusive of dividends.

Calculation of the TR :

$$\boldsymbol{TR\ Index} = Previous\ TR * \left[1 + \left(\frac{(Today's\ PR\ Index + Indexed\ Dividend)}{Previous\ PR\ Index} - 1\right)\right]$$

where,

$$Indexed\ Dividend = \frac{Dividend\ Payout}{Base\ Market\ Capitalisation\ of\ Index}$$

$$Price\ Index\ Returns = \frac{Current\ Price\ Index\ Value}{Previous\ Price\ Index\ Value} - 1$$

Net Total Return (NTR) Calculation:

Net Total Return (NTR) index aims to measure the performance of the index considering that the cash dividends (regular/special) and the income from stock dividends (bonus issues) are reinvested in the index after deducting the withholding tax on the dividends and Short Term Capital Gains tax on the bonus shares issued as detailed below:

- The withholding tax rate on the dividends for non-residential shareholders is presently 20% (plus applicable surcharge and cess) as per Income Tax Act, 1961. (The withholding tax rate will be as applicable from time to time). For the computation of NTR index, the maximum rate applicable to the non-resident institutional investors who do not benefit from double taxation treaties. As per the Income Tax Act, 1961, the maximum surcharge applicable for the Non Resident Institutional Investors on the income from dividends is

15% and cess is 4%, thus the effective withholding tax rate applicable for the income from dividends is 23.92%.

- Short term capital gains tax rate on the income generated from the Stock dividends (bonus issue) is presently 20% (plus applicable surcharge and cess) as per Income Tax Act, 1961. (The Short term capital gains tax rate will be as applicable from time to time). The effective short term capital gains tax rate on the income generated from the Stock dividends is 23.92% (the short term capital gains tax rate is 20%, the maximum surcharge applicable for the Non Resident Institutional Investors on the short term capital gains arising through transfer of equity shares is 15% and cess is 4%).

- The surcharge rate differs depending on whether the institutional investor is recognized as being structured as a corporate or a trust/fund and based on their income slab. Therefore, the higher of the two rates for maximum income slab is considered.

Currently, Net Total Return index is computed for Nifty 50, Nifty Midcap 50 and Nifty 500 indices.

Index Governance:

The indices are calculated and administered by NSE Indices Limited. A professional team at NSE Indices Limited manages the indices, according to a detailed control and accountability framework, that includes this methodology and incorporates the guidance of the NSE Indices Index Maintenance Sub-Committee and with oversight from the NSE Indices Oversight Committee.

Index Committees:

NSE Indices Limited has constituted the Index Advisory Committee (Equity), which provides guidance on macro issues pertaining to equity indices.

The Index Maintenance Sub-committee (Equity) is responsible for the maintenance of the Nifty Indices methodology, oversees the operational guidelines for managing the equity indices and approves changes to the stock selection criteria. Index Maintenance Sub-Committee reserves the right to take a decision to deal with any exceptional situation that may arise where application of stated methodology may not be practicable.

The NSE Indices Index Oversight Committee's function is "to review and provide challenge on all aspects of the benchmark (index) determination process" by providing oversight of the administration of the indices by NSE Indices Limited, the Index Advisory Committee (Equity), Index Maintenance Sub-Committee and the policies and procedures governing their administration. The Oversight Function reports to the Board of NSE Indices Limited.

In order to maintain transparency, the names of the committee member are publicly displayed on the website. None of the member in the above committee except the exchange representative(s) (who co-ordinates between the Index Advisory Committee - Equity and Index Maintenance Sub-Committee - Equity) represent more than one committee and thereby the independence of each of the committees is maintained.

Index Policy

The Nifty family of indices uses transparent, researched and publicly documented rules for index maintenance. These rules are applied regularly to manage changes to the index. Review of indices is carried out at pre-defined periodicity to ensure that each security in the index fulfils eligibility criteria.

Announcements:

All index-related announcements are posted on the websites of NSE Indices Limited and NSE. Changes impacting the constituent list are also posted on the Web site. Please refer to the www.niftyindices.com and www.nseindia.com.

Holiday Schedule:

For the calculation of indices, the NSE Indices Limited follows the official holiday schedule. A complete holiday schedule for the year is available on the NSE Indices Limited and NSE website. Please refer to the www.niftyindices.com and www.nseindia.com.

Input Data Source:

Input data to the review and calculation of the Nifty equity indices comprises:	**Source:**
Prices	Regulated prices received from the National Stock Exchange of India Ltd, in Indian Rupees.
Shares in issue / issuance	National Stock Exchange of India Ltd. For companies traded at NSE but not listed, shares in issue are referred from company's periodic disclosures
Dividends	National Stock Exchange of India Ltd
Company share float	National Stock Exchange of India Ltd. For companies traded at NSE but not listed, company share float is referred from company's periodic disclosures
WM/Refinitiv 4pm London fix FX data	Refinitiv

Input data to the review and calculation of the Nifty equity indices comprises:	Source:
USDINR Spot Rate	Cogencis Information Services Ltd.
MUFG Bank Telegraphic Transfer Mid (TTM) Rate	Cogencis Information Services Ltd.
Triparty Repo Dealing System (TREPS) Overnight lending rate	Clearcorp Dealing Systems (India) Pvt. Ltd. (a group company of the Clearing Corporation of India Ltd.)
Mumbai Interbank Offer Rate (Term MIBOR)	Financial Benchmarks India Pvt. Ltd.
In addition, index reviews require:	
Liquidity data	National Stock Exchange of India Ltd
Classification data (such as thematic, geographical or industry sector classifications)	National Stock Exchange of India Ltd (derived from publicly available Company information, or information filed with the exchange by companies).
Various reference data including financial information from annual reports	National Stock Exchange of India Ltd (derived from publicly available Company information, or information filed with the exchange by companies).
Shariah compliance data	Taqwaa Advisory and Shariah Investment Solutions (P) Ltd. (TASIS)
ESG related Score	NSE Sustainability Ratings & Analytics Limited (NSRAL).

Data Control:

NSE Indices requires its data vendors to flag any changes to their data feeds to NSE Indices in advance, allowing it the opportunity to assess the scale of and comment on the proposed change.

Use of the data is controlled by the application of the index methodology document. These are never subject to differing priorities and no judgement is exercised in their use.

Where data (such as Shariah information) is sourced from other data providers, NSE Indices partners with reputable data providers, whose data is already in wide use within the investment industry and recognised as being of good quality.

NSE Indices is confident the input data used in the determination of the indices it administers is sufficient and appropriate, and that verification of the quality of input data is provided via the monitoring of index reviews and calculated index values carried out by the NSE Index Maintenance Sub-Committee.

Index Precision

The level of precision for index calculation is as follows:

- Shares outstanding are expressed in units
- Investible weight factors (IWFs) are expressed in six decimals
- Float-adjusted market capitalization is stated to two decimal places
- Index values are disseminated up to two decimal places

Index Recalculations

In principle the Nifty family of indices are recalculated whenever errors occur. However, where the correction of a historical error would lead to difficulties for index product issuers or investors, the committee retains the right to override the correction. Users of the Nifty indices are notified through appropriate channel of communication of both corrections and decisions to protect investors by not correcting an error.

Cessation of Indices Policy

NSE Indices Ltd. regularly launches new indices to widen its product and increase its presence across asset classes to meet the needs of cross section of market participants. The indices are periodically reviewed and rebalanced to ensure that they continue to be concurrent & representative of its underlying segment and relevant to the market participants. Along with the periodic index rebalancing, NSE Indices also reviews the index methodology to ensure it delivers indices that accurately represent their definition, and to incorporate any market feedback or changes in global practices in index maintenance. This periodic review of the index methodology is carried out by the Index Maintenance Sub-Committee (Equity) and it is overseen by the NSE Indices Oversight Committee.

There may be some situations in which the index may not be relevant and assist in effective benchmarking for the market participants. Such situations may be due to significant changes in the market infrastructure, regulatory changes, limited usage of index and its economic relevance, etc. In such cases, NSE Indices may consider discontinuation of the index.

The trigger for considering a discontinuation of any of the Nifty indices could be:

1. Market feedback on relevance of index to market participants & its utility for benchmarking or constructing financial products
2. NSE Indices' internal assessment of relevance of index
3. Regulatory guideline
4. Non availability of eligible stocks for inclusion in the index
5. Lower acceptance of the benchmark

The following process will be followed in deciding the discontinuation of any index:

- In the annual review of indices and its methodology, the NSE Indices team will review the usefulness and relevance for continuation of the indices. Additionally, if required such review may be conducted for any specific index based on market feedback and other conditions.
- In such review, the team will do internal assessment with reference to current usage of the index either for benchmarking or for financial products etc. and if there are any alternatives available for the index.
- NSE Indices team will also conduct Voice of Customer for collecting feedback of market participants.
- In case of any preliminary proposal for discontinuation of the index, the product development team will place the proposal before the CEO of NSE Indices. The proposal shall have assessment summary along with justification of the proposal.
- The CEO may approve the proposal to discontinue the index which shall be placed before the Index Maintenance Sub-Committee (IMSC) for the final approval.
- IMSC will review the proposal and accord its consent considering the merit.
- Value of discontinued indices may be displayed on the website for a pre-defined period on a case to case basis
- NSE Indices will announce the discontinuation by providing adequate notice to the market.

Market Feedback & Index Methodology Review

NSE Indices Limited is committed to ensure that all Nifty indices are relevant for the market participants. In order to ensure this, NSE Indices Limited on an on-going basis interacts with the stakeholders inviting the feedback through various channels of communication. The feedback received from the market participants forms a key input for all index related aspects.

Review of methodology of Nifty indices is carried out on an annual basis. Additionally, NSE Indices Limited also considers any feedback that it may receive with regards to index methodology as part of on-going market interactions. Any change to the index methodology is approved by the NSE Indices Index Maintenance Sub-Committee and overseen by the NSE Indices Oversight Committee, and the same is announced through a press release.

Other

In case of a market stress or disruption, NSE Indices Limited will review and deal with the situation on consultative basis with the National Stock Exchange of India Ltd. (NSE) as NSE is source for price data for computation of equity indices.

All indices are expected to reflect the performance of a basket of stocks selected based on the defined guidelines and theme. Every index user is advised to evaluate the benefits of index and take an informed decision before using the index for self or creation of index-linked products. NSE Indices Limited does not accept any liability for any losses, claims, expenses etc. that may be incurred by any person as a result of usage of Nifty family of indices as a result of reliance of the ground rules, any errors or inaccuracies.

IOSCO Compliance

NSE Indices Limited (formerly known as India Index Services and Products Limited - "IISL") is compliant to the International Organization of Securities Commissions ("IOSCO") Principles for Financial Benchmarks. The last assessment was carried out by Dalal Doctor and Associates in April 2024. Detailed report can be accessed on the website.

Index Dissemination

Web site:

Daily index values, index constituents, methodology, and press releases are available on www.niftyindices.com and www.nseindia.com. Additionally, leading data vendors also carry the indices on its platforms:

Index identifiers:

Sr. No.	Index Name	Bloomberg Ticker	Refinitiv RIC Code	Index Category
1	Nifty 500	NSE500	.NIFTY500	Broad
2	Nifty 100	NSE100	.NIFTY100	Broad
3	Nifty Midcap 150	NSEMD150	.NIMI150	Broad
4	Nifty Smallcap 250	NSES250	.NISM250	Broad
5	Nifty 50	Nifty	.NSEI	Broad
6	Nifty Next 50	NIFTYJR	.NN50	Broad
7	Nifty Midcap 50	NIFTYM50	.NIMDCP50	Broad
8	Nifty Midcap 100	NSEMCAP	.NIFMDCP100	Broad
9	Nifty Midcap Select	NMIDSELP	.NIFTYMIDSELECT	Broad
10	Nifty Smallcap 50	NSESM50	.NISM50	Broad
11	Nifty Smallcap 100	NSESMCP	.NIFSMCP100	Broad
12	Nifty 200	NSE200	.NIFTY200	Broad
13	Nifty LargeMidcap 250	NSELM250	-	Broad
14	Nifty MidSmallcap 400	NSEMDSM	.NIMI400	Broad
15	Nifty500 Multicap 50:25:25	NMULTIP	.NIF500MUL	Broad
16	Nifty Microcap 250	-	.NIFTYMICROCAP250	Broad
17	Nifty Total Market	NTOTMKTP	.NIFTYTOTALMKT	Broad
18	Nifty Auto	NSEAUTO	.NIFTYAUTO	Sectoral
19	Nifty Bank	NSEBANK	.NSEBANK	Sectoral
20	Nifty Consumer Durables	NISSCODU	-	Sectoral
21	Nifty FMCG	NSEFMCG	.NIFTYFMCG	Sectoral
22	Nifty IT	NSEIT	.NIFTYIT	Sectoral
23	Nifty Media	NSEMED	.NIFTYMED	Sectoral
24	Nifty Metal	NSEMET	.NIFTYMET	Sectoral
25	Nifty Oil & Gas	NISSOIL	-	Sectoral
26	Nifty Pharma	NSEPHRM	.NIPHARM	Sectoral
27	Nifty PSU Bank	NSEPSBK	.NIFTYPSU	Sectoral

Sr. No.	Index Name	Bloomberg Ticker	Refinitiv RIC Code	Index Category
28	Nifty Private Bank	NSEPBANK	.NIFPVTBNK	Sectoral
29	Nifty Realty	NSEREAL	.NIFTYREAL	Sectoral
30	Nifty Financial Services	NSEFIN	.NIFTYFIN	Sectoral
31	Nifty Financial Services 25/50	-	.NIFSER	Sectoral
32	Nifty Healthcare	NHEALTHP	.NIFHEIN	Sectoral
33	Nifty MidSmall Healthcare	-	.NIFTYMIDSMLHLTH	Sectoral
34	Nifty Commodities	NSECMD	.NIFTYCOM	Thematic
35	Nifty Energy	NSENRG	.NIFTYENR	Thematic
36	Nifty Housing	NHOUSINP	-	Thematic
37	Nifty India Consumption	NSECON	.NIFTYCONS	Thematic
38	Nifty Infrastructure	NSEINFR	.NIFTYINFR	Thematic
39	Nifty MNC	NSEMNC	.NIFTYMNC	Thematic
40	Nifty PSE	NSEPSE	.NIFTYPSE	Thematic
41	Nifty Services Sector	NSESRV	.NIFTYSER	Thematic
42	Nifty India Digital	-	.NIFTYINDDIGITAL	Thematic
43	Nifty Transportation & Logistics	NTANDLP	-	Thematic
44	Nifty India Manufacturing	NMFGP	.NIFTYINDIAMFG	Thematic
45	Nifty India Defence	NDEFNCEP	-	Thematic
46	Nifty500 Multicap India Manufacturing 50:30:20	-	.NIFTYMULTIMFG	Thematic
47	Nifty500 Multicap Infrastructure 50:30:20	-	.NIFTYMULTIINFRA	Thematic
48	Nifty50 Shariah	NSESHTR	-	Thematic
49	Nifty500 Shariah	NS500STR	-	Thematic
50	Nifty Shariah 25	NSHAR25P	-	Thematic
51	Nifty CPSE	CPSE	.NICPSE	Thematic
52	Nifty100 Liquid 15	LIX15	.NLIX50	Thematic
53	Nifty Midcap Liquid 15	NSEMID15	.NIFML15	Thematic
54	Nifty100 ESG	NSEESG	-	Thematic
55	Nifty100 Enhanced ESG	NSEESGE	-	Thematic
56	Nifty100 ESG Sector Leaders	NESGLDRP	.NIFESG	Thematic
57	Nifty India Corporate Group	NTATA25P	.NIFTYTATA25CAP	Thematic

Sr. No.	Index Name	Bloomberg Ticker	Refinitiv RIC Code	Index Category
	Index - Tata Group 25% Cap			
58	Nifty Dividend Opportunities 50	NSEDIV	.NIFTYDVOP	Strategy
59	Nifty Growth Sectors 15	NSENI15	.NI15	Strategy
60	Nifty50 Equal Weight	NSE50EW	.NIFTY50EW	Strategy
61	Nifty100 Equal Weight	NSE100EW	.NIFTY100EW	Strategy
62	Nifty Alpha 50	NSEAP	.NIFTYALI	Strategy
63	Nifty High Beta 50	NSEHB	.NIFTYHBI	Strategy
64	Nifty Low Volatility 50	NSELV	.NIFTYLVI	Strategy
65	Nifty200 Alpha 30	N200A30P	.NIFTY200ALPHA30	Strategy
66	Nifty100 Low Volatility 30	NSELV30	.NIFTY100L30	Strategy
67	Nifty200 Momentum 30	N200MOMP	.NIFMOM	Strategy
68	Nifty Midcap150 Momentum 50	-	.NIFTYM150MOMNTM50	Strategy
69	Nifty100 Quality 30	NSEQTY30	.NIF100QL30	Strategy
70	Nifty200 Quality 30	NSE200Q	.NIQU30	Strategy
71	NIFTY Midcap150 Quality 50	NMIDQLTP	.NIFIMID150QA50	Strategy
72	Nifty Smallcap250 Quality 50	N250Q50P	-	Strategy
73	Nifty Alpha Low-Volatility 30	NALOW30P	.NIFALV30	Strategy
74	Nifty50 Value 20	NSENV20	.NV20	Strategy
75	Nifty500 Momentum 50	N500M50P	-	Strategy
76	Nifty500 Value 50	N500V50P	-	Strategy
77	Nifty Top 10 Equal Weight	N10EWPR	-	Strategy
78	Nifty Equity Savings	NEQTSAVT	-	Strategy
79	Nifty50 USD	DEFTY	.NSED	Strategy
80	Nifty50 JPY	N50JPPR	-	Strategy
81	Nifty50 Equal Weight USD	NSE50EU	-	Strategy
82	Nifty50 Dividend Points	NIFTYDVD	.NIFTYDV	Strategy
83	Nifty50 PR 1x Inverse	NPR1XI	.NIFPR1X	Strategy
84	Nifty50 PR 2x Leverage	NPR2XL	.NIFPR2X	Strategy

Sr. No.	Index Name	Bloomberg Ticker	Refinitiv RIC Code	Index Category
85	Nifty50 TR 1x Inverse	NTR1XI	.NIFTR1X	Strategy
86	Nifty50 TR 1x Inverse	NTR1XL	.NIFTR1X	Strategy
87	Nifty50 TR 2x Leverage	NTR2XL	.NIFTR2X	Strategy
88	Nifty 50 Arbitrage	NSE50ARB	-	Strategy
89	Nifty 50 Futures	N50FUTPR	-	Strategy

About NSE Indices Limited

NSE Indices Limited (formerly known as India Index Services & Products Ltd. - IISL), a subsidiary of NSE, provides a variety of indices and index related services for the capital markets. The company focuses on the index as a core product. The company owns and manages a portfolio of indices under the Nifty brand of NSE, including the flagship index, the Nifty 50. Nifty equity indices comprise of broad-based benchmark indices, sectoral indices, strategy indices, thematic indices and customised indices. NSE Indices Limited also maintains fixed income indices based on Government of India securities, corporate bonds, money market instruments and hybrid indices. Many investment products based on Nifty indices have been developed within India and abroad. These include index based derivatives traded on NSE and NSE International Exchange IFSC Limited (NSE IX) and a number of index funds and exchange traded funds. The flagship 'Nifty 50' index is widely tracked and traded as the benchmark for Indian Capital Markets.

For more information, please visit: www.niftyindices.com