

## PRESS RELEASE

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### Revision in criteria of NIFTY Microcap 250 index

The Index Maintenance Sub-Committee - Equity (IMSC) of NSE Indices Limited has decided to make the revision in criteria of NIFTY Microcap 250 index as given hereunder:

Parameter	Existing Method	Proposed Method
Compliance with SEBI portfolio concentration norms	NA	<ul style="list-style-type: none"> <li>On a quarterly basis, indices will be screened for compliance with the portfolio concentration norms (related to impact cost, trading frequency and stock weight limits) 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</li> </ul>
Eligible Universe	<ul style="list-style-type: none"> <li>Companies ranked within top 1000 based on average daily turnover and on average daily full market capitalization based on previous six months period data</li> </ul>	<ul style="list-style-type: none"> <li>Post applying the impact cost filter, it is possible that the number of eligible stocks in the universe is less than 250</li> <li>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</li> </ul>

		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 <ul style="list-style-type: none"> <li>• If the number of eligible stocks is still less than 250, then the index may have less than 250 constituents</li> </ul>
Maximum replacements per review*	NA	50

\* 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, spin-offs, delisting, trading suspension etc.

The revision in criteria would be applicable with an immediate effect.

#### About National Stock Exchange of India Limited (NSE):

National Stock Exchange of India (NSE) is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for calendar year 2020. NSE is ranked 4th in the world in the cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for calendar year 2020. NSE was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully-integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology.

For more information, please visit: [www.nseindia.com](http://www.nseindia.com)

### 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 comprises 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, NSE IFSC and Singapore Exchange Ltd. (SGX) 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](http://www.niftyindices.com)

For any clarifications please contact:

**Arijit Sengupta**

Chief Marketing & Communications Officer

**Kumar Kartikey**

Chief Manager, Corporate Communication

Email id: [cc@nse.co.in](mailto:cc@nse.co.in)