

**Headline:** New criteria for selection of Nifty Stocks

**Source:** Economic Times

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## New Criteria for Selection of Nifty Stocks



**MUMBAI:** India Index Services & Products, an NSE group firm, on Tuesday announced revision in guidelines governing reconstitution of indices, including the Nifty, and in guidelines governing the maintenance of indices. The revision in guidelines governing index reconstitution will be applicable from Sept 2017 rebalancing. The changes in guidelines governing maintenance of indices come into immediate effect. Under the new criteria for selection of stocks in the Nifty, the constituents will be from the Nifty 100. For inclusion in the Nifty, the security should have traded at an average impact cost of 0.5% or less during the last six months, for 90% of the observations for portfolio of ₹10 crore as against ₹2 crore earlier. Companies will be included in the index if free-float market cap is 1.50 times the free-float market cap of the smallest constituent in respective index. —Our Bureau