

PRESS RELEASE

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IISL launches NIFTY 10 Year SDL Index

Index aims to measure the performance of the 10 year segment of the State Development Loan (SDL) securities market

Mumbai: India Index Services & Products Limited (IISL), an NSE group company, has today launched the NIFTY 10 Year SDL Index.

NIFTY 10 Year SDL Index seeks to measure the performance of a portfolio of SDL securities with residual maturity of about 10 years.

The index contains SDLs issued by top 14 states selected every year based on their primary issuance volume during previous year. The index captures the total return, including price return and coupon return, on the underlying SDL portfolio.

“With increasing level of state borrowings, issuances of state development loans (SDLs) have almost doubled from Rs.1.97 trillion in FY14 to Rs.3.88 trillion in FY17. The 10 year continues to be the most popular maturity segment with ~96% share of SDL primary issuance volume. Within mutual funds, gilt funds’ investment in SDLs, as a percent of their fund AUM, has increased from 6% to 15% in the previous 3 financial years. The NIFTY 10 Year SDL index, with its unique construction methodology, aims to represent this evolving segment of the Indian fixed income securities market” said Mukesh Agarwal, CEO – IISL.

The base date for the index is September 03, 2001 and base value is 1000. The list of 14 states in the index is reviewed annually. The index is calculated and published on an end-of-day basis. The index will cater to the benchmarking needs of asset managers for their investments in SDLs. The index will also be available for licensing for launch of structured products and passive financial products such as exchange traded funds (ETFs) and index funds.

All NIFTY indices follow a well-defined, market relevant and rules-based framework that helps IISL provide transparent, replicable and market representative indices.

Brief information about the index is enclosed in the annexure below.

For more information on index methodology and factsheet, please visit us at www.niftyindices.com or www.nseindia.com.

About National Stock Exchange of India Limited (NSE):

The National Stock Exchange (NSE) is the leading stock exchange in India and the fourth largest in the world by equity trading volume in 2015, according to World Federation of Exchanges (WFE). 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 our exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading and clearing members with the rules and regulations of 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. NSE believes that the scale and breadth of its products and services, sustained leadership positions across multiple asset classes in India and globally enable it to be highly reactive to market demands and changes and deliver innovation in both trading and non-trading businesses to provide high-quality data and services to market participants and clients.

About India Index Services & Products Ltd. (IISL):

India Index Services & Products Ltd. (IISL), a subsidiary of NSE, provides a variety of indices and index related services for the capital markets. IISL focuses on the index as a core product. IISL owns and manages a portfolio of indices under the NIFTY brand of NSE, including the flagship index, the NIFTY 50. IISL equity Indices comprises broad-based benchmark indices, sectoral indices, strategy indices, thematic indices and customised indices. IISL also maintains fixed income indices based on Government of India securities, corporate bonds and money market instruments. Many investment products based on IISL indices have been developed within India and abroad. These include index based derivatives traded on NSE, Singapore Exchange Ltd. (SGX), Chicago Mercantile Exchange Inc. (CME), Osaka Exchange Inc. (OSE), Taiwan Futures Exchange (TAIFEX) 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

Disclaimer: National Stock Exchange of India Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, an initial public offer of its equity shares and has filed a draft red herring prospectus dated December 28, 2016 (“DRHP”) with Securities and Exchange Board of India (“SEBI”). The DRHP is available on the website of SEBI as well as on website of the Managers, Citigroup Global Markets India Private Limited at <http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm>, JM Financial Institutional Securities Limited at www.jmfi.com, Kotak Mahindra Capital Company Limited at <http://www.investmentbank.kotak.com>, Morgan Stanley India Company Private Limited at <http://www.morganstanley.com/about-us/global-offices/india/>, HDFC Bank Limited at www.hdfcbank.com, ICICI Securities Limited at www.icicisecurities.com, IDFC Bank Limited at www.idfcbank.com and IIFL Holdings Limited at www.iiflcap.com. Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such

risk, see “Risk Factors” beginning on page 19 of the DRHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

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Annexure 1

NIFTY 10 Year SDL Index

Introduction

NIFTY 10 Year SDL Index seeks to measure the performance of a portfolio of State Development Loans (SDLs) with residual maturity of about 10 years.

The index contains SDLs issued by top 14 states selected every year based on their primary issuance volume during previous year. The index captures the total return, including price return and coupon return on the underlying SDL portfolio.

Highlights

- The index has a base date of September 03, 2001 and a base value of 1000
- With top 14 states reviewed annually, the index adequately represents the dynamics of the 10 year maturity bucket of the SDL market
- Most recently issued on-the-run 10 year SDL of each of the selected 14 states to be included in the index
- Weightage to each SDL based on the issue size of the security
- The index is computed using the total return methodology including price return and coupon return
- The index is rebalanced and reconstituted at every auction

Index Performance

Period	Annualised Return
1 Year	6.00%
3 Year	11.33%
5 Year	10.30%
7 Year	9.28%
10 Year	9.03%
15 Year	8.14%
Since Inception	8.93%

As on 29th September, 2017