



India Index Services & Products Ltd.

NIFTY Equity Savings Index Methodology Document

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Introduction

India Index Services & Products Ltd. (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.

Calculation Frequency:

The index is calculated on an end of day basis

Index Governance:

IISL Board has constituted the Index Policy Committee (IPC) to formulate policies governing IISL indices. In addition to IPC, two committees viz. Index Maintenance Sub Committee (IMSC) and Debt Index Management Committee (DIMC) have been constituted. The IMSC is responsible for periodic review of equity indices based on the policies/ guidelines formulated by the IPC. DIMC takes decisions on the debt indices at IISL.

Each of these committees is represented by the industry experts. None of the member in the above committee except the exchange representative(s) (who coordinates between IPC and IMSC) represent more than one committee and thereby the independence of each of the committees is maintained. The Committees comprises representatives from financial market such as Asset Management Company, insurance company, academicians, rating agency etc. In order to maintain transparency, the names of the committee member are publicly displayed on the website.

About National Stock Exchange of India Limited (NSE):

The National Stock Exchange of India Ltd. (NSE) is the leading stock exchange in India and the third largest in the world by nos. of trades in equity shares in 2017, according to World Federation of Exchanges (WFE) report. 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 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.

For more information, please visit: www.nseindia.com

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, money market instruments and hybrid indices. 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

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