

Methodology

CRISIL IBX Gilt Index – April 2033	
Target Date	29 th April 2033
Eligible Period for G-Sec	Securities maturing in 12-month period ending 29 th April 2033
Asset Allocation	G-Sec: 100%
Base date	23 rd September 2022
Base index value	1000
Index objective: Seeks to track the performance of gilt issuers near to the maturity date of the index.	
Securities Selection Methodology.	
G-Sec	<p>Security Selection:</p> <ol style="list-style-type: none"> 1. All Securities in the eligible period as evaluated on the inception date of the index will be selected. 2. The index constituents are valued on a daily basis using CRISIL Valuations 3. Surrogate bonds (namely Food Corporation of India bonds, Oil bonds, Fertiliser bonds and UTI Special Bonds), STRIPS and Floating rate bonds are excluded from eligible securities. <p>Weighing Approach:</p> <ol style="list-style-type: none"> 1. Weights to individual securities as evaluated on each rebalancing date and inception date will be calculated in the ratio of amount outstanding (30% weightage) and liquidity score (70% weightage). The weights to the individual securities may change due to relative price movement of securities and will be reset during index rebalancing 2. Liquidity score will be calculated based on the volume traded (70%), number of trades (15%) and days traded (15%) in the previous quarter. <p>Rebalancing, Review:</p> <ol style="list-style-type: none"> 1. The index constituents will be reviewed on quarterly basis and the eligible securities will be added every quarter. 2. If any security becomes eligible, it will be added during the rebalancing process, and the weights will be reset as per weighing approach explained above. 3. Any cash flows accruing to the index on account of coupon cash flows, part redemption of the security or securities, will be reinvested on the same day in the index in the proportion of existing weights 4. As the index includes securities that shall mature during the 12 month period ending on the final maturity date of the index, any proceeds from the redemption of securities prior to the final maturity date of the index shall be reinvested according to following waterfall approach - <ul style="list-style-type: none"> • The proceeds from security redemption will be reinvested in the longest maturity outstanding security maturing on or just before the index maturity date. • In case a replacement in the form of outstanding security cannot be found for reinvestment then the proceeds from such redemption shall be reinvested in the remaining portfolio on the same date in the proportion of the existing weights.

	<ul style="list-style-type: none">• In case due to any reason it is not possible to reinvest as per the above criteria, then the proceeds from such redemption shall be reinvested in a T-Bill maturing on or just before the index maturity date.• If the last outstanding security (including T-Bill) in the index matures before the final index maturity date, all redemption proceeds shall be assumed to be re-invested in The Clearing Corporation of India Ltd.'s (CCIL) TREPS overnight rate for any subsequent days till the maturity of the index. <p>The effective date of the above rebalancing shall be first working day of the month.</p> <p>Any index having maturity date on a weekend (Saturday and Sunday), on a holiday, or on an unplanned market holiday, will mature on the next working day.'</p>

Disclaimer: CRISIL Research, a division of CRISIL Limited (“**CRISIL**”) has taken due care and caution in preparing this report (“**Report**”) based on the information obtained by CRISIL from sources which it considers reliable (“**Data**”). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data or Report and is not responsible for any errors or omissions or for the results obtained from the use of Data or Report. The Report is not a recommendation to invest or disinvest in any company whether covered or not in the Report and no part of the Report should be construed as an investment advice or any form of investment banking. CRISIL especially states that it has no liability whatsoever, financial or otherwise, to the subscribers/ users/ transmitters/ distributors of this Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL’s Ratings Division / CRISIL Risk and Infrastructure Solutions Limited (“**CRIS**”), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL Research and not of CRISIL’s Ratings Division / CRIS. The Report is confidential to the client. No part of this Report may be distributed, copied, reproduced or published (together, “**Redistribute**”) without CRISIL’s prior written consent, other than as permitted under a formal Agreement (if any) in place between the client and CRISIL. Where CRISIL gives such consent, the Client shall ensure that the recipient so permitted is responsible to ensure compliance with all applicable laws and regulations with respect to any such Redistribution. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Client will be responsible for ensuring compliances and any consequences of non-compliances for use and access of the Report or part thereof outside India.

The purpose and use of the Report must only be as per the proposal shared by CRISIL, or letter of engagement or formal agreement in place between the client and CRISIL, as applicable.

Report provided is covered under **SEBI (Research Analyst) Regulations, 2014**. Please refer to below link for detailed disclaimer.

Detailed disclaimer – (<https://www.crisil.com/en/home/our-businesses/india-research/disclaimer.html>)