

Criteria Review notice for CRISIL Gilt 2027 & 2028 Target date indices:

The criteria for re-investment of maturity proceeds in the following two indices is being revised to align with the framework as mandated by AMFI and SEBI. This change will be in effect from 8th Sep 2022.

- CRISIL Gilt 2027 Index
- CRISIL Gilt 2028 Index

- As the index includes securities that shall mature during the 6 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 –
 - I. The proceeds from security redemption will be reinvested in the longest maturity outstanding government security issued and maturing on or just before the index maturity date.
 - II. In case a replacement in the form of another outstanding government 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.
 - III. In case due to any reason it is not possible to meet the requirements stated in point I and II above, then the proceeds from such redemption shall be reinvested in a T-Bill maturing on or just before the index maturity date.
 - IV. 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.

Criteria Review notice for Target date indices:

With effect from 1st September 2022, following criteria/ methodology changes shall be applicable for target date indices:

Coupon cashflow re-investment for below target date indices:

Index	Current criteria	Criteria change
CRISIL IBX AAA Index – June 2023	Any coupon cashflow generated is invested in the same security on the same day	All coupon cash flows generated shall be distributed between all securities in the index on the same day based on the proportion of their weights
CRISIL IBX 70:30 CPSE Plus SDL Index – April 2025	Any coupon cashflow generated is invested in the same security on the same day	
CRISIL IBX SDL Index – May 2027	Any coupon cashflow generated is invested in the same security on the same day	
CRISIL IBX 50:50 PSU + SDL Index – October 2025	Any coupon cashflow generated is invested in the same security on the same day	
CRISIL Gilt 2027 Index	Any coupon cashflow generated is invested in TREPS till end of the month	
CRISIL Gilt 2028 Index	Any coupon cashflow generated is invested in TREPS till end of the month	

Criteria review notice for impact cost for target date indices:

The impact cost to be applied for securities forming part of CRISIL Gilt 2027 & CRISIL Gilt 2028 Index shall be standardized as below:

Asset class	Yield impact while purchasing (basis points)	Yield impact while selling (basis points)	Total effective impact cost (basis points)	Total effective impact cost as per existing customized methodology
Gilt	-1.5	1.5	3	6
Tbills	0	0	0	2