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**The National Stock Exchange of India and New York University Stern School of
Business Announce Initiative to Study Indian Capital Markets**
-- External Study of Indian Capital Markets is First of Its Kind --

New York and Mumbai, September xx, 2012-- New York University Stern School of Business (NYU Stern) and the National Stock Exchange of India (NSE) today announced a research partnership called the “Initiative on the Study of Indian Capital Markets” that is a venture of the School’s Salomon Center for the Study of Financial Institutions and the National Stock Exchange of India (NSE). Under the leadership of NYU Stern’s Finance Professor Viral Acharya, the Initiative has solicited proposals for early-stage projects that are relevant for understanding the Indian financial sector and macro-economy. The NSE will host a conference in the summer of 2013, to share findings from the research projects.

“While there is a rich body of research on the US market because of its size and the availability of data, emerging markets are less well understood,” said Peter Henry, dean of NYU Stern. “We have much to learn from emerging markets such as India. With the support and cooperation of the National Stock Exchange, NYU Stern and other academic institutions will begin to ask and answer important questions about the workings of this vibrant market.”

MD and CEO of the National Stock Exchange, Mr. Ravi Narain said, “Ideally industry and academia should complement each other, to provide research support for effective policy making. We would like to play a catalytic role in creating this environment for our markets.” He said, “We are confident that this partnership with NYU Stern will be a step towards achieving that goal.”

The research initiative has a broad scope. Some suggested topics for study include liquidity and efficiency of stock markets, role and functioning of initial and secondary public offerings, trading behavior of retail and institutional investors and their impact on markets; role and impact of financial sector regulation, the market for takeovers and other governance mechanisms; and, the role of private equity and family-owned firms in the economy. The initiative will also cover topics relating to banks and non-bank financial corporations and their interactions with markets and cost of capital for Corporations and SME’s.

“One of the benefits of this initiative is the opportunity to build a research network of policy makers and business leaders, who can begin to tackle these, and other, important questions in the Indian market and to better understand the implications for other emerging markets,” said Prof. Viral Acharya, who also serves as a member of the International Advisory Board of the Securities and Exchange Board of India.

In addition to Prof. Acharya, NYU Stern’s Finance Professors Joel Hasbrouck and Rangarajan K Sundaram, both experts in exchanges and capital markets, will review and select the proposals.

The results of these projects will be presented at a research conference at the NSE in Mumbai in the summer of 2013. Following the conference, the research will be included in the Salomon Center's Working Paper series and posted on its website.

About the National Stock Exchange (NSE) of India

The National Stock Exchange, the largest exchange in India and the largest in the world in the number of equity market trades, has brought about unparalleled transparency, speed, efficiency and safety in the Indian securities market. As part of its thought leadership efforts, NSE conducts various workshops and seminars. It also conducts training programmes and certification programmes in the area of securities market. NSE runs a number of management programmes on financial markets, in prominent colleges and universities in India. Many of NSE's courses on financial markets are also being taught to senior grade students in schools.

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

About NYU Stern

Located in the heart of Greenwich Village, New York University Stern School of Business is one of the world's premier research and teaching institutions. NYU Stern offers a broad portfolio of graduate and undergraduate programs, all of them informed and enriched by the dynamism, energy, and resources of one of the world's business capitals. Its Salomon Center, founded in 1972, is a research institute that conducts theoretical and applied research in financial institutions, instruments and markets.

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