BSE INDEX SERVICES PVT. LTD.

A wholly owned subsidiary of BSE

BSE Indices

Methodology

May-2026

Table of Contents

Introduction

BSE Index Services Pvt. Ltd. ("BISPL") (formerly Asia Index Pvt. Ltd.) is a 100% subsidiary of BSE India Ltd, Asia's oldest stock exchange and home to the iconic SENSEX index - a leading indicator of Indian equity market performance. We construct, calculate, maintain and disseminate indices which are used by clients around the world for benchmarking, running passive products and for other data related requirements.

Index Objectives, Highlights, and Index Family

The BSE family of indices measures the performance of BSE listed companies across various sizes, industries, themes, and strategies. Each index is designed to represent a certain segment of the Indian equities market.

Broad-based. The Broad-based indices act as market indicators for the Indian stock market, covering large-cap, mid-cap, and small-cap companies. Broad-based indices include the following:

- **BSE SENSEX.** The index serves as both a benchmark and an investable index and is comprised of 30 large, well-established, and financially sound companies across key sectors. It is the oldest index in the country.
- **BSE SENSEX Next 30.** The index tracks the next 30 largest and most liquid companies in BSE 100 and not forming part of BSE SENSEX.
- **BSE SENSEX Sixty.** The index comprises the constituents of the BSE SENSEX and the BSE SENSEX Next 30.
- **BSE 100.** The index measures the performance of 100 of the largest and most liquid Indian companies within the BSE LargeMidCap.[1]
- **BSE SENSEX 50.** The index measures the performance of 50 of the largest and most liquid companies within BSE 100.
- **BSE SENSEX Next 50.** The index measures the performance of the 50 companies within BSE 100 that are not members of the BSE SENSEX 50.
- **BSE SENSEX 50 TMC.** The index measures the performance of 50 of the largest and most liquid companies within the BSE 100 LargeCap TMC.
- **BSE SENSEX Next 50 TMC.** The index measures the performance of the 50 companies within the BSE 100 LargeCap TMC that are not members of the BSE SENSEX 50 TMC.
- **BSE India 150.** The Index measures top 150 stocks of India based on total free float market cap, which are liquid within the BSE 500 Universe.
- **BSE 200.** The index measures the performance of 200 of the largest and most liquid companies within the BSE 500.
- **BSE 500.** The index is designed to be a broad representation of the Indian capital market.

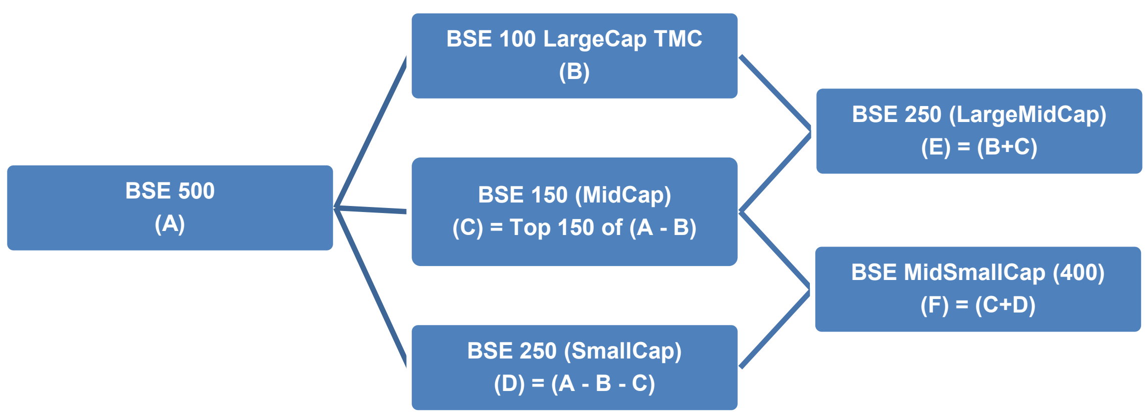
The following indices are intended to represent market capitalization size segments within the Indian market while considering the requirements outlined by the Securities and Exchange Board of India (SEBI).[2]

---

[1] For more information on the eligibility, construction and maintenance of the BSE LargeMidCap, please refer to the *BSE AllCap Methodology* document, available at www.bseindia.com

[2] Based on SEBI Circular "Categorization and Rationalization of Mutual Fund Schemes" dated October 6, 2017 (http://www.sebi.gov.in/legal/circulars/oct-2017/categorization-and-rationalization-of-mutual-fund-schemes_36199.html).

- **BSE 100 LargeCap TMC.** The index measures the performance of 100 of the largest and most liquid companies within the BSE 500, as selected by total market capitalization
- **BSE 150 MidCap.** The index measures the performance of 150 MidCap companies, by total market capitalization, subject to buffers, in the BSE 500 but not in the BSE 100 LargeCap TMC.
- **BSE Focused MidCap:** The Index measures the performance of the Top 20 companies derived from the constituents of the BSE 150 MidCap subject to buffers.
- **BSE 250 SmallCap.** The index measures the performance of 250 SmallCap companies, by total market capitalization, in the BSE 500 that are not part of the BSE 100 LargeCap TMC and BSE 150 MidCap.
- **BSE 250 LargeMidCap.** The index measures the performance of 250 companies, by total market capitalization, in the BSE 100 LargeCap TMC and BSE 150 MidCap.
- **BSE 400 MidSmallCap.** The index measures the performance of 400 companies, by total market capitalization in the BSE 500 that are not part of the BSE 100 LargeCap TMC.



Thematic Indices: Thematic indices include the following:

- **BSE PSU.** The index measures the performance of India's Public Sector Undertakings (PSUs) in the BSE 500.
- **BSE CPSE.** The index measures the performance of India's Central Public Sector Enterprises (CPSEs) listed on the BSE Ltd.
- **BSE Bharat 22 Index.** The index measures the performance of select companies disinvested by the Central Government of India according to the disinvestment program. Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 15% and a common India Industry Classification Structure macro-economic indicator weight cap of 20%.
- **BSE POWER & ENERGY**. This is a blended index that measures the performance of companies that are part of BSE 500 Index and across Power and Energy Sectors.
- **BSE Capital Markets & Insurance**. This is a blended index that measures the performance of companies that are part of BSE 500 Index and across Capital Markets and Insurance Industry.
- **BSE Multicap Consumption (50:30:20).** The index is derived from the constituents of the BSE 500 Index. Stocks that form a part of MEI "Consumer Discretionary" or "Fast Moving Consumer Goods (FMCG)", would form a part of Eligible Universe.

- **BSE Tec*k*.** The BSE Tec*k* index comprises constituents of the BSE 500 that are classified as members of the Media, Entertainment & Publication, Information Technology & Telecommunication sectors as defined by the BSE Industry Classification system.

Strategy: Strategy indices include the following:

- **BSE IPO.** The index tracks the performance of stocks listed via initial public offerings (IPOs), over a one-year period from their listing date. The index is weighted by float-adjusted market capitalization, subject to an individual stock weight cap of 20%.
- **BSE SME IPO.** The index tracks the performance of Small and Medium Enterprises (SMEs) listed via IPOs on BSE's SME Platform, over a one-year period from their respective listing date.
- **BSE DOLLEX Indices.**
    - The BSE DOLLEX 30 is a U.S. dollar linked version of BSE SENSEX.
    - The BSE DOLLEX 100 is a U.S. dollar linked version of the BSE 100.
    - The BSE DOLLEX 200 is a U.S. dollar linked version of the BSE 200.
- **BSE SENSEX Futures Index.** The index models the returns realized through an investment in the near-month futures contract on the BSE SENSEX.
- **BSE Arbitrage Rate Index.** The index is a weighted return index that consists of a position with a 100% long index weight in the BSE SENSEX Total Return Index and a 100% short index weight in the BSE SENSEX Futures Excess Return Index.
- **BSE 500 and Arbitrage Rate 50/50 Blend Index.** The index is a weighted return index that consists of a 50% weight in the BSE 500 Price Return Index and a 50% weight in the BSE Arbitrage Rate (INR) Price Return Index.
- **BSE SENSEX 2X Leverage Daily Index.** The index generates a multiple of the underlying index return, minus the cost of borrowing capital to generate excess index exposure. The BSE SENSEX 2X Leverage Daily Index reflects 200% of the return of the BSE SENSEX, including dividends and price movements.
- **BSE SENSEX Inverse Daily Indices.**
    - The BSE SENSEX 1X Inverse Daily Index provides inverse returns of the BSE SENSEX.
    - The BSE SENSEX 2X Inverse Daily Index provides two times the inverse performance of the BSE SENSEX.
- **BSE 200 Equal Weight.** The index comprises the same constituents as BSE 200 Index and provides equal weightage to all the constituents in BSE 200 index.

- **BSE SENSEX Equal Weight.** The index comprises the same constituents as BSE SENSEX and provides equal weightage to all the constituents in BSE SENSEX.
- **BSE SENSEX Sixty 65:35.** This is a combined index comprising the constituents of BSE SENSEX and the BSE SENSEX Next 30 in the ratio 65:35 respectively.
- **BSE 500 Dividend Leaders 50.** The index measures the performance of companies in the BSE 500 index that have paid dividends consistently over the past ten years.
- **BSE Diversified Financials Revenue Growth Index (INR).** The index is designed to measure the performance of private companies from the BSE 500 classified as Financial Services under the common India Industry Classification Structure. Constituents must also satisfy the sales growth inclusion criterion defined in Appendix II.

- **BSE All Derivative stocks.** The index is designed to measure the performance of companies forming part of BSE 500 Index which are part of the BSE F&O segment.
- **BSE 500 Equal Weight.** The index comprises the same constituents as BSE 500 Index and provides equal weightage to all the constituents in BSE 500 index.
- **BSE 250 LargeMidCap 65:35.** The index is an index of indices that measures the performance of a composite index composed of the BSE 100 LargeCap TMC and BSE 150 MidCap, with weights assigned to the two underlying indices of 65% and 35%, respectively.
- **BSE 150 Midcap 1X Inverse Daily.**
    - The BSE 150 Midcap 1X Inverse Daily Index provides inverse returns of the BSE 150 Midcap
- **BSE 200 1X Inverse Daily.**
    - The BSE 200 1X Inverse Daily Index provides inverse returns of the BSE 200
- **BSE 500 Long + 150 Midcap 1X Inverse 80:20.** The BSE 500 Long + 150 Midcap 1X Inverse 80:20 measures the performance of a composite index composed of the BSE 500 and BSE 150 MidCap 1X Inverse Daily, with weights assigned to the two underlying indices of 80% and 20%, respectively.
- **BSE 500 Long + 200 1X Inverse 80:20.** The BSE 500 Long + 200 1X Inverse 80:20 measures the performance of a composite index composed of the BSE 500 and BSE 200 1X Inverse Daily, with weights assigned to the two underlying indices of 80% and 20%, respectively.

Hybrid: Hybrid indices include the following:

- **BSE REITs and InvITs Index.** The index measures the performance of Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) which are domiciled in India and listed on the BSE Ltd. Constituents that are classified as REITs at basic industry level should have a minimum aggregate weight of 65%. Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 33% and aggregate weight of the top three stocks capped at 63%.

Sectors. The Sector indices are equity benchmarks for BSE traded securities in several broadly defined economic sectors. The indices include companies in the BSE 500 that represent eight sectors of the economy and contain a minimum of 10 companies per index. Sector indices include the following:

- BSE AUTO
- BSE OIL & GAS
- BSE METAL
- BSE BANKEX
- BSE POWER
- BSE CAPITAL GOODS
- BSE CONSUMER DURABLES
- BSE REALTY

Constituents of BSE OIL & GAS are weighted based on their float-adjusted market capitalization, subject to a 20% weight cap.

BSE Focused IT. The Index measures the performance of top companies in the Information Technology Sector.

BSE Private Banks. The index is designed to measure the performance of private Indian banks within the BSE Financial Services. Constituents are weighted by float-adjusted market capitalization, subject to capping constraints as defined in Index Construction.

BSE PSU Banks. The index is designed to measure the performance of public sector banks within BSE 500. Constituents are weighted by float-adjusted market capitalization, subject to capping constraints as defined in Index Construction.

BSE Top 10 Banks. The index is derived from the constituents of the BSE 500 Index. Stocks which are classified as “Banks” at Industry Level would form a part of Eligible Universe.

Realized Volatility. Realized Volatility indices measure the historic volatility of the BSE SENSEX over fixed 1-, 2-, and 3-month time horizons, which are synchronized with BSE’s 1-, 2-, and 3-month futures and options expiration cycles.

- BSE REALVOL-1MTH
- BSE REALVOL-2MTH
- BSE REALVOL-3MTH

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein. References throughout the methodology direct the reader to the relevant supporting document for further information on a specific topic. The list of the main supplemental documents for this methodology and the hyperlinks to those documents is as follows:

Supporting Document	URL
BISPL Equity Index Policy	BISPL Equity Index Policy
BISPL Index Mathematics Methodology	BISPL Index Mathematics Methodology
BISPL Indices’ Float Adjustment Methodology	BISPL Indices Float Adjustment Methodology

The methodology is created by BSE Index Services Pvt. Ltd. (BISPL) to achieve the aforementioned objective of measuring the underlying interest of each index governed by this methodology document. Any changes to or deviations from this methodology are made in the sole judgment and discretion of BISPL so that the index continues to achieve its objective.

Eligibility Criteria and Index Construction

Approaches

Most of the indices in this series employ a float-adjusted market capitalization-weighting scheme, using the divisor methodology used in BISPL equity indices. The following indices employ a non-market capitalization weighting scheme:

- BSE Bharat 22 Index
- BSE OIL & GAS

The BSE 250 LargeMidCap 65:35 Index, BSE Arbitrage Rate Index and BSE 500 and Arbitrage Rate 50/50 Blend Index employ a weighted return scheme.

Except for the indices listed below, weighting scheme treatment is listed in the Market Capitalization Weighted Indices section of BISPL Index Mathematics Methodology:

- BSE BANKEX
- BSE OIL & GAS
- BSE Bharat 22 Index
- BSE IPO

For weighting schemes in the indices mentioned above, please refer to the Capped-Market Capitalization Weighted Indices section of BISPL Index Mathematics Methodology.

BSE Index Services Pvt. Ltd. believes turnover in index membership should be avoided when possible. At times, a company may appear to temporarily violate one or more of the addition criteria. However, the addition criteria are for addition to an index, not for continued membership. As a result, an index constituent that appears to violate criteria for addition to that index will not be deleted unless ongoing conditions warrant an index change.

Multiple Share Classes

Differential Voting Rights Shares (DVRs) are eligible for inclusion in the following indices provided that the ordinary share class is either part of the index or is being added simultaneously and the DVR shares outstanding are greater than 10% of the ordinary shares outstanding.[3] In addition, the DVRs must individually satisfy all other index eligibility criteria as detailed in the following pages.

- BSE SENSEX, BSE SENSEX Equal Weight
- BSE 200, BSE 200 Equal Weight
- BSE 250 SmallCap
- BSE 400 MidSmallCap
- BSE 500
- BSE 150 MidCap
- BSE 250 LargeMidCap
- BSE 250 LargeMidCap, 65:35
- BSE India 150

[3] Effective with the June 2015 rebalancing.

DVRs are eligible for inclusion in the following indices provided that the ordinary share class is part of the respective Index Universe for each of the indices and the DVRs individually pass the liquidity criteria as detailed in the following pages:

- BSE 100
- BSE SENSEX 50
- BSE SENSEX Next 50
- BSE 100 LargeCap TMC
- BSE SENSEX 50 TMC
- BSE SENSEX Next 50 TMC

Only common stocks are eligible for inclusion in the following indices:

- BSE PSU
- BSE CPSE
- BSE IPO
- BSE SENSEX Next 30
- BSE SME IPO
- BSE Sector Indices
- BSE Bharat 22 Index

Data Sources

1. **Market Capitalization.** Market capitalization is calculated using the BSE Ltd. prices.
2. **Value Traded.** Traded value is calculated using composite volumes of Indian exchanges.
3. **Impact Cost.** Impact cost is sourced from the BSE Ltd.[4]
4. **Trading Frequency.** This data is assessed based on trading information on BSE Ltd.

Calculation of Data Points

For all indices the rebalance portfolio of the universe is considered for the respective indices rebalancing, if the universe is rebalancing in the same month.

Stocks that have undergone a scheme of arrangement for corporate events such as spin-offs, capital restructurings, etc. are eligible for index inclusion if, as of the rebalancing reference date, the company has completed at least one month of trading after the scheme's effective date and all other eligibility and selection criteria are met. For such stocks, data from the scheme's effective date up to the reference date is considered for average free float market capitalization, average total market capitalization, and annualized traded value, wherever applicable.

[4] See https://www.bseindia.com/markets/equity/EQReports/varmargin.aspx?flag=0.

BSE SENSEX

Eligible Universe. The index is derived from the constituents of the BSE 100. The inclusion of DVRs in the index will result in more than 30 stocks in the index. However, the number of companies in the index remains fixed at 30. Stocks in the eligible universe must satisfy the following eligibility factors in order to be considered for index inclusion:

- **Listing History.** Stocks must have a listing history of at least six months at BSE.
- **Trading Days.** The stock must have traded on every trading day at BSE during the six-month reference period.
- **Derivative Linkage.** Stock must have a derivative contract.
- **Multiple Share Classes.** DVRs satisfying the above eligibility criteria are aggregated with the company's common stock and index construction is done based on the aggregated company data as detailed below.

Index Construction.

1. All companies meeting the eligibility factors are ranked based on their average six-month float-adjusted market capitalization. The top 75 are identified.
2. All companies meeting the eligibility factors are ranked again based on their average six-month total market capitalization. The top 75 are identified.
3. All companies identified based on steps 1 and 2 are then combined and sorted based on their annualized traded value. Companies with a cumulative annualized traded value greater than 98% are excluded.
4. The remaining companies are then sorted by average six-month float-adjusted market capitalization. Companies with a weight of less than 0.5% are excluded.
5. The remaining companies from step 4 are then ranked based on their average six-month float-adjusted market capitalization, and are selected for index inclusion according to the following rules:
    a. The top 21 companies (whether a current index constituent or not) are selected for index inclusion with no sector consideration.
    b. Existing constituents ranked 22 – 39 are selected in order of highest rank until the target constituent count of 30 is reached.
    c. If after this step the target constituent count is not achieved, then non-constituents ranked 22 – 30 are selected by giving preference to those companies whose common India Industry Classification Structure macro-economic indicator is underrepresented in the index as compared to the macro-economic indicator representation in the BSE AllCap.
    d. If after this step, the target constituent count is still not achieved, non-constituents are selected in order of highest rank until the target constituent count is reached.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the six-month period. The annualization is calculated using 250 trading days in a year.

All additions and deletions are made at the discretion of index committee.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX Equal Weight

Eligible Universe. The index is derived from the constituents of the BSE 100. The inclusion of DVRs in the index will result in more than 30 stocks in the index. However, the number of companies in the index remains fixed at 30. Stocks in the eligible universe must satisfy the following eligibility factors in order to be considered for index inclusion:

- **Listing History.** Stocks must have a listing history of at least six months at BSE.
- **Trading Days.** The stock must have traded on every trading day at BSE during the six-month reference period.
- **Derivative Linkage.** Stock must have a derivative contract.
- **Multiple Share Classes.** DVRs satisfying the above eligibility criteria are aggregated with the company's common stock and index construction is done based on the aggregated company data as detailed below.

Index Construction.

1. All companies meeting the eligibility factors are ranked based on their average six-month float-adjusted market capitalization. The top 75 are identified.
2. All companies meeting the eligibility factors are ranked again based on their average six-month total market capitalization. The top 75 are identified.
3. All companies identified based on steps 1 and 2 are then combined and sorted based on their annualized traded value. Companies with a cumulative annualized traded value greater than 98% are excluded.
4. The remaining companies are then sorted by average six-month float-adjusted market capitalization. Companies with a weight of less than 0.5% are excluded.
5. The remaining companies from step 4 are then ranked based on their average six-month float-adjusted market capitalization, and are selected for index inclusion according to the following rules:
    a. The top 21 companies (whether a current index constituent or not) are selected for index inclusion with no sector consideration.
    b. Existing constituents ranked 22 – 39 are selected in order of highest rank until the target constituent count of 30 is reached.
    c. If after this step the target constituent count is not achieved, then non-constituents ranked 22 – 30 are selected by giving preference to those companies whose common India Industry Classification Structure macro-economic indicator is underrepresented in the index as compared to the macro-economic indicator representation in the BSE AllCap.
    d. If after this step, the target constituent count is still not achieved, non-constituents are selected in order of highest rank until the target constituent count is reached.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the six-month period. The annualization is calculated using 250 trading days in a year.

All additions and deletions are made at the discretion of index committee.

Constituent Weightings. Index constituents are Equal weighted based on their float-adjusted market capitalization.

BSE SENSEX Next 30

Eligible Universe. The index is derived from the constituents of the BSE 100 that are not members of BSE SENSEX. In order to be eligible for index inclusion, the constituent must be linked to derivative trading (i.e., have a derivative contract) and the stock must have traded on every trading day at BSE during the six-month reference period.

Index Construction. All eligible companies are ranked based on average daily float-adjusted market capitalization. The top 24 companies (whether a current constituent or not) are selected for index inclusion. Existing constituents ranked 25 – 36 are selected in order of highest rank until the target constituent count of 30 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX Sixty

Eligible Universe. The index is derived from the constituents of the BSE 100 that are members of the BSE SENSEX and BSE SENSEX Next 30.

Index Construction. All companies part of the BSE SENSEX and BSE SENSEX Next 30 are selected and form the index. Any change in composition of either BSE SENSEX or BSE SENSEX Next 30 will be incorporated in the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX Sixty 65:35

Eligible Universe. The index is derived from the constituents of the BSE 100 that are members of the BSE SENSEX and BSE SENSEX Next 30.

Index Construction. All companies part of the BSE SENSEX and BSE SENSEX Next 30 are selected and form the index in the ratio of 65:35 respectively. Any change in composition of either BSE SENSEX or BSE SENSEX Next 30 will be incorporated in the index.

Rebalancing. The index is rebalanced quarterly, effective after the close of the third Friday of March, June, September, and December. At each rebalancing, the weights of the constituents forming part of BSE SENSEX and BSE SENSEX Next 30 are reset to 65% and 35% of the total index weight respectively.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX Futures Index

Underlying Index. The underlying index for the futures contract is the BSE SENSEX. The futures contract is traded on BSE Ltd. under the symbol 'BSX'.

Futures Roll. The index includes a provision for the replacement of the index futures contract as it approaches maturity (also referred to as "rolling" or "the roll"). This replacement occurs over a one-day rolling period every month, which is one business day prior to the expiration of the futures contract.

The near-month futures contract expires on the last Thursday of each month. In case the last Thursday is a holiday, it expires on the immediately preceding business day.

Calculation of the Excess Return Index. The excess return is calculated from the price change of the underlying futures contract. On any trading date, *t*, the level is calculated as follows:

$$ERI_t = ERI_{t-1} \times (1 + IER_t)$$

where:

ERI_t = Excess return index level on business day *t*.

ERI_{t-1} = Excess return index level on business day *t-1*.

IER_t = Index excess return on business day *t*, defined as follows:

$$IER_t = \frac{DCRP_t}{DCRP_{t-1}} - 1$$

where:

$DCRP_t$ = Daily contract reference price of the futures contract on business day *t*.

$DCRP_{t-1}$ = Daily contract reference price of the futures contract on business day *t-1*.

The daily contract reference price is the official close, as designated by the BSE Ltd.

Calculation of the Total Return Index. For a funded investment, the total return between business days *t-1* and *t* includes the risk free return for the initial cash outlay.

$$TRI_t = TRI_{t-1} \times (1 + TR_t)$$

where:

TRI_t = Total return index level on business day *t*.

TRI_{t-1} = Total return index level on business day *t-1*.

TR_t = Total return on business day *t*, defined as follows:

$$TR_t = IER_t + RFR_t$$

where:

IER_t = Index excess return on business day *t*.

RFR_t = Risk free rate on business day *t*.

The risk-free rate is calculated using the one-month MIBOR as follows:

$$RFR_t = MIBOR_{t-1} \times \frac{\Delta_t}{365}$$

where:

$MIBOR_{t-1}$ = One month MIBOR on business day *t-1*.

Δ_t = Number of calendar days between business day *t* and business day *t-1*.

Note: Effective after the close on April 15, 2015, the risk-free rate calculation is based on a 365-day year convention. Prior to this, it was based on a 360-day year convention.

BSE Arbitrage Rate Index

Underlying Indices. BSE SENSEX Total Return Index and BSE SENSEX Futures Excess Return Index.

Underlying Index	Index Code	Index Weight
BSE SENSEX Total Return Index	SENSEXT	100%
BSE SENSEX Futures Excess Return Index	BSSFIEP	-100%

Index Calculation. On the trading date, *t*, the index is calculated as follows using the component indices as detailed above.

$$Index_t = Index_{PB} * (1 + IndexReturn_t)$$

$$IndexReturn_t = \sum_{i=1}^{n} W_i R_i$$

where:

$Index_{PB}$ = Index value on the previous rebalancing date.

w_i = Weight of an asset class *i*.

R_i = Cumulative return of the representative asset class *i* at *t* from the previous rebalancing date.

Rebalancing. The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Thursday of each month. If the last Thursday is a holiday, the contract expires on the immediately preceding business day. At each rebalancing, the weights of the underlying indices are reset to the weights above.

Index Maintenance. All index adjustments and corporate action treatments follow the rules of the BSE SENSEX.

BSE 500 and Arbitrage Rate 50/50 Blend Index

Underlying Indices. BSE 500 Price Return Index and BSE Arbitrage Rate (INR) Price Return Index.

Underlying Index	Index Code	Index Weight
BSE 500 Price Return Index	BSE500P	50%
BSE Arbitrage Rate (INR) Price Return Index	BSARBP	50%

Index Calculation. On the trading date, *t*, the index is calculated as follows using the component indices as detailed above.

$$Index_t = Index_{PB} * (1 + IndexReturn_t)$$

$$IndexReturn_t = \sum_{i=1}^{n} W_i R_i$$

where:

$Index_{PB}$ = Index value on the previous rebalancing date.

w_i = Weight of an asset class *i*.

R_i = Cumulative return of the representative asset class *i* at *t* from the previous rebalancing date.

Rebalancing. The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Thursday of each month[5]. If the last Thursday is a holiday, the contract expires on the immediately preceding business day. At each rebalancing, the weights of the underlying indices are reset to the weights above.

Index Maintenance. All index adjustments and corporate action treatments follow the rules of the BSE 500.

[5] For history prior to May 23, 2023, the expiry date of the futures contract changed from the last Thursday of the month to the last Friday of the month.

[5] the expiry date of the futures contract changed from the last Friday of the month to the last Tuesday of the month effective from 28th January 2025

BSE SENSEX 2X Leverage Daily Index

Daily Index Returns. The daily return for the BSE SENSEX 2X Leverage Daily Index consists of the return on the total position in the underlying index, the BSE SENSEX, less the borrowing costs for leverage.

The formula for calculating the leveraged index return is as follows:

$$LIR_t = K \times \left(\frac{UITR_t}{UITR_{t-1}} - 1\right) - (K-1) \times \left(\frac{BR_{t-1}}{365}\right) \times D_{t,t-1}$$

where:

LIR_t = Leveraged index return at time *t*.

K ($K \geq 1$) = Leverage ratio.

- *K* = 2, Exposure = 200%.

$UITR_t$ = Underlying index total return value at time *t*.

$UITR_{t-1}$ = Underlying index total return value at time *t-1*.

BR_{t-1} = Borrowing rate (overnight MIBOR) at time *t-1*.

$D_{t,t-1}$ = Number of calendar days between date *t* and *t-1*.

In the equation above, the borrowing rate is applied to the leveraged index return to account for the cost of capital of the funds borrowed to generate leverage.

Daily Index Values. Leveraged index values are calculated each day by applying the current day's leveraged index return to the previous day's leveraged index value, as follows:

$$LIV_t = LIV_{t-1} \times (1 + LIR_t)$$

where:

LIV_t = Leveraged index value at time *t*.

LIV_{t-1} = Leveraged index value at time *t-1*.

LIR_t = Leveraged index return at time *t*.

The leveraged position is rebalanced daily. This is consistent with the payoff from futures-based replication.

BSE SENSEX Inverse Daily Indices

Daily Index Returns. The daily returns of the indices consist of the following 2 components:

1. The return on the underlying index, the BSE SENSEX, is reversed and is based on the total return of the underlying index so that dividends and price movements are included.
2. There is an adjustment to reflect the interest earned on both the initial investment and short sale proceeds, net of cost of borrowing of the underlying securities.

The formula for calculating the inverse index return is as follows:

$$IIR_t = -K \times \left(\frac{UITR_t}{UITR_{t-1}} - 1\right) + (K + 1 - \mathbf{1}) \times \left(\frac{LR_{t-1}}{365}\right) \times D_{t,t-1}$$

where:

IIR_t = Inverse index return at time t.

K ($K \geq 1$) = Leverage ratio.

- K = 1, Exposure = -100%.
- K = 2, Exposure = -200%.

$UITR_t$ = Underlying index total return value at time t.

$UITR_{t-1}$ = Underlying index total return value at time $t-1$.

LR_{t-1} = Lending rate (overnight MIBOR) at time $t-1$.

$D_{t,t-1}$ = Number of calendar days between date t and $t-1$.

In the equation above, the first right hand side term represents the total return on the underlying index and the second right hand side term represents the interest earned on the initial investment and the shorting proceeds.

Daily Index Values. Inverse index values are calculated each day by applying the current day's inverse index return to the previous day's inverse index value, as follows:

$$IIV_t = IIV_{t-1} \times (1 + IIR_t)$$

where:

IIV_t = Inverse index value at time t.

IIV_{t-1} = Inverse index value at time $t-1$.

IIR_t = Inverse index return at time t.

The inverse position is rebalanced daily. This is consistent with the payoff from futures-based replication.

BSE 150 Midcap 1X Inverse Daily Index

The index calculation follows a 2-step approach to calculate index values as follows:

1. Inverse Underlying Performance: The return on the underlying index, the BSE 150 Midcap, is reversed and is based on the total return of the underlying index so that dividends and price movements are included.
2. Interest and Borrowing Adjustments:
    a. Interest Earned: The return includes interest earned on both the initial investment and the proceeds from selling short the securities in the underlying index
    b. Borrowing Costs: A component representing the cost of borrowing securities is subtracted.

The formula for calculating the inverse index return is as follows:

$$IIR_t = -K \times \left(\frac{UITR_t}{UITR_{t-1}} - 1\right) + (K + 1 - 1) \times \left(\frac{LR_{t-1}}{365}\right) \times \mathrm{D}_{\mathrm{t,t-1}} \qquad \dots (1)$$

Where:

IIR_t = Inverse index return at time t

$K \geq 1$ = Leverage ratio, e.g. K = 2, implies exposure of -200%

$UITR_t$ = Underlying Index total return value at time t

$UITR_{t-1}$ = Underlying Index total return value at time $t-1$

LR_{t-1} = Lending rate (overnight MIBOR) at time $t-1$

$D_{t,t-1}$ = Number of calendar days between date t and $t-1$

Equation 1 calculates the total return by adding two primary components. The first right hand side term represents the total return on the underlying index, the second right hand side term represents the interest earned on the initial investment and the shorting proceeds less the borrowing costs.

Inverse index values are calculated each day by applying the current day's inverse index return to the previous day's inverse index value, as follows:

$$IIV_t = IIV_{t-1} \times (1 + IIR_t) \qquad \dots (2)$$

Where:

IIV_t = Inverse index at time t

IIV_{t-1} = Inverse index at time $t-1$

IIR_t = Inverse index return at time t

BSE 200 1X Inverse Daily Index

The index calculation follows a 2-step approach to calculate index values as follows:

1. Inverse Underlying Performance: The return on the underlying index, the BSE 200, is reversed and is based on the total return of the underlying index so that dividends and price movements are included.
2. Interest and Borrowing Adjustments:
    a. Interest Earned: The return includes interest earned on both the initial investment and the proceeds from selling short the securities in the underlying index
    b. Borrowing Costs: A component representing the cost of borrowing securities is subtracted.

The formula for calculating the inverse index return is as follows:

$$IIR_t = -K \times \left(\frac{UITR_t}{UITR_{t-1}} - 1\right) + (K + 1 - 1) \times \left(\frac{LR_{t-1}}{365}\right) \times \mathrm{D}_{\mathrm{t,t-1}} \quad \ldots (1)$$

Where:

IIR_t = Inverse index return at time t

$K \geq 1$ = Leverage ratio, e.g. K = 2, implies exposure of -200%

$UITR_t$ = Underlying Index total return value at time t

$UITR_{t-1}$ = Underlying Index total return value at time $t-1$

LR_{t-1} = Lending rate (overnight MIBOR) at time $t-1$

$D_{t,t-1}$ = Number of calendar days between date t and $t-1$

Equation 1 calculates the total return by adding two primary components. The first right hand side term represents the total return on the underlying index, the second right hand side term represents the interest earned on the initial investment and the shorting proceeds less the borrowing costs.

Inverse index values are calculated each day by applying the current day's inverse index return to the previous day's inverse index value, as follows:

$$IIV_t = IIV_{t-1} \times (1 + IIR_t) \quad \ldots (2)$$

Where:

IIV_t = Inverse index at time t

IIV_{t-1} = Inverse index at time $t-1$

IIR_t = Inverse index return at time t

BSE 500 Long + 150 Midcap 1X Inverse

Underlying Index	Index Weight
BSE 500	80%
BSE 150 Midcap 1x Inverse Daily Index	20%

The BSE 500 Long + 150 Midcap 1X Inverse 80:20 measures the performance of a composite index composed of the BSE 500 and BSE 150 MidCap 1X Inverse Daily, with weights assigned to the two underlying indices of 80% and 20%, respectively.

Index Eligibility:

All constituents of the underlying indices are eligible for inclusion.

Index Calculation:

This index is calculated daily using the weighted total returns of the BSE 500 and BSE 150 Midcap 1x Inverse Daily Index.

The formula for calculating the Index values is as follows:

$$Index_t = Index_P \times (1 + R_t)$$
$$R_t = \sum_{i=1}^{n} W_i R_i$$

Where:

$Index_p$ = Index value on the previous rebalancing date

W_i = Weight of the Underlying index i

R_i = cumulative return of the Underlying index i at time t from the previous rebalancing date.

Rebalancing:

The index is rebalanced quarterly, effective after the close of the third Friday of March, June, September, and December. At each rebalancing, the weights of the underlying indices are reset to 80% and 20% of the total index weight.

Index Maintenance:

All index adjustments and corporate action treatments follow the underlying index.

BSE 500 Long + 200 1X Inverse

Underlying Index	Index Weight
BSE 500	80%
BSE 200 1x Inverse Daily Index	20%

The BSE 500 Long + 200 1X Inverse 80:20 measures the performance of a composite index composed of the BSE 500 and BSE 200 1X Inverse Daily, with weights assigned to the two underlying indices of 80% and 20%, respectively.

Index Eligibility:

All constituents of the underlying indices are eligible for inclusion.

Index Calculation:

This index is calculated daily using the weighted total returns of the BSE 500 and BSE 200 1x Inverse Daily Index.

The formula for calculating the Index values is as follows:

$$Index_t = Index_P \times (1 + R_t)$$
$$R_t = \sum_{i=1}^{n} W_i R_i$$

Where:

$Index_p$ = Index value on the previous rebalancing date

W_i = Weight of the Underlying index i

R_i = cumulative return of the Underlying index i at time t from the previous rebalancing date.

Rebalancing:

The index is rebalanced quarterly, effective after the close of the third Friday of March, June, September, and December. At each rebalancing, the weights of the underlying indices are reset to 80% and 20% of the total index weight.

Index Maintenance:

All index adjustments and corporate action treatments follow the underlying index.

BSE 100

Eligible Universe. The index is derived from the constituents of the BSE LargeMidCap. The inclusion of DVRs in the index will result in more than 100 stocks in the index. However, the number of companies in the index remains fixed at 100.

Index Construction. The following company data points are calculated for each eligible company:

1. Average daily float-adjusted market capitalization
2. Annualized traded value
3. Number of non-trading days

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference date. If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the eligible universe screening and index construction process are from the listing date.

Where a company has multiple share classes, the eligible share classes are combined to measure the company's data point 1. Data points 2-3 are measured independently for each of the eligible share classes.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the observation period. The annualization is calculated using 250 trading days in a year.

Constituents are selected for index inclusion as follows:

1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion.
    a. Have an annualized traded value greater than or equal to INR 1000 crores. Current index constituents with an annualized traded value of at least INR 800 crores remain eligible for index inclusion provided they meet the other eligibility criteria.
    b. Have no more than five non-trading days in the past six months, as of the rebalancing reference date.
2. Companies satisfying the criteria in step 1 are then ranked based on average daily float-adjusted market capitalization. The top 80 companies are selected for index inclusion. Existing constituents ranked 81 – 120 are selected in order of highest rank until the target constituent count of 100 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.
3. The following derivative market linkage constraints are also taken into account:
    a. The individual float weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.
    b. The aggregate float weight of the index constituents not linked to derivatives trading cannot exceed 10%.

If any of the above derivative market linkage constraints are violated, the next eligible stock is selected for index inclusion based on the rank derived in Step 2 giving preference to those linked to the derivatives market.

In addition, the constituent selection process of the BSE 100 also takes into account the derivative market linkage constraints of the BSE SENSEX 50 and BSE SENSEX Next 50 as detailed in the following pages. The selection process based on derivative market linkage is repeated until the criteria for all three indices are met.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX 50

Eligible Universe. The index is derived from the constituents of the BSE 100. In order to be eligible for index inclusion, the constituent must be linked to derivative trading (i.e., have a derivative contract).

Index Construction. All eligible companies are ranked based on average daily float-adjusted market capitalization. The top 40 companies (whether a current constituent or not) are selected for index inclusion. Existing constituents ranked 41 – 60 are selected in order of highest rank until the target constituent count of 50 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX Next 50

Eligible Universe. The index is derived from the constituents of the BSE 100 that are not members of the BSE SENSEX 50.

Index Construction. All companies part of the BSE 100 that are not part of the BSE SENSEX 50 are selected and form the index, subject to the following derivative market linkage constraints:

- The individual float-adjusted weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.
- The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%.

If either of the above constraints are violated, the following relaxation steps are applied:

1. If the individual float-adjusted weight of any share class of a company not linked to derivatives trading exceeds 5%, the stock is not considered for selection and the next best eligible stock, based on six-month average daily float-adjusted market capitalization, is selected in the BSE SENSEX Next 50 and consequentially in the BSE 100.
2. If after step 1 the aggregate float-adjusted weight of constituents not linked to derivatives trading exceeds 20%, the lowest-ranked company not linked to derivatives trading is removed and replaced with the highest-ranked eligible company linked to derivatives trading in the BSE SENSEX Next 50 and consequentially in the BSE 100. This process repeats until the aggregate weight of the constituents not linked to derivatives trading does not violate the above constraints.
3. Steps 1 and 2 repeat iteratively to ensure both constraints are met.

Any stock excluded due to the derivative market linkage and relaxation rules is only considered for selection at the rebalancing if the stock has derivative contracts.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 100 LargeCap TMC

Eligible Universe. The index is derived from constituents of the BSE 500.[6] The inclusion of DVRs in the index will result in more than 100 stocks in the index. However, the number of companies in the index remains fixed at 100.

Index Construction.

1. Eligible companies must satisfy the following criteria for inclusion into the index.
    a. Have no more than five non-trading days[5] in the past six months, as of the rebalancing reference date. When a company has multiple share classes non-trading days are measured independently for each of the eligible share classes.
    b. Have an annualized traded value[7] greater than or equal to INR 1000 crores (INR 800 crores for current constituents). Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the six-month observation period. The annualization is calculated using 250 trading days in a year. When a company has multiple share classes annualized traded value is measured independently for each of the eligible share classes.
2. Companies satisfying the criteria in step 1 are ranked based on average daily total market capitalization over the prior six-month period. When a company has multiple share classes, total market capitalization is assessed at company level. The top 80 companies are included in the index. Existing constituents ranked 81–120 are selected, by order of highest rank, until the target constituent count of 100 is reached. If after this step the target count is not achieved, non-constituents are selected in order of highest rank until the target count is reached.
3. The following derivative market linkage constraints are also taken into account.[5]
    a. The individual float weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.
    b. The aggregate float weight of the stocks in the index not linked to derivatives trading cannot exceed 10% of the index

    If any of the above derivative market linkage rules are violated, the lowest-ranked stock not linked to derivatives is replaced by the next eligible stock linked to derivatives, based on the rank derived in step 2.

If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the index construction process is assessed from the listing date. In addition, stocks that have undergone a scheme of arrangement for corporate events such as spin-offs or capital restructurings, use the available data from the scheme's effective date until the reference date.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

[6] Prior to the June 2018 rebalancing, only companies with a listing history of at least six months were eligible for constituent selection.
[7] These rules only became applicable starting from the December 2011 rebalancing forward.

BSE SENSEX 50 TMC

Eligible Universe. The index is derived from constituents of the BSE 100 LargeCap TMC. In order to be eligible for index inclusion, the constituent must be linked to derivative trading (i.e., have a derivative contract).

The inclusion of DVRs may result in more than 50 stocks in the BSE SENSEX 50 TMC. However, the number of companies in the index, remains fixed at 50.

Index Construction. All eligible companies are ranked based on average daily total market capitalization. The top 40 companies (whether a current constituent or not) are selected for index inclusion. Existing constituents, ranked 41–60, are selected in order of highest rank until the target constituent count of 50 is reached. If, after this step, the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE SENSEX Next 50 TMC

Eligible Universe. The index is derived from the constituents of the BSE 100 LargeCap TMC that are not members of the BSE SENSEX 50 TMC.

Index Construction. All companies part of the BSE 100 LargeCap TMC that are not part of the BSE SENSEX 50 TMC are selected and form the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE India 150

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index will result in more than 150 stocks in the index. However, the number of companies in the index remains fixed at 150.

Index Construction. The following company data points are calculated for each eligible company:

1. Average daily Free-Float market capitalization
2. Annualized traded value
3. Trading frequency

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference date. If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the eligible universe screening and index construction process are from the listing date.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the observation period. The annualization is calculated using 250 trading days in a year.

The following inclusion steps would be performed in chronological order:

1. Stocks with Investible Weight Factor greater than or equal to 0.2 would be eligible for inclusion
2. Minimum Annualised Daily Turnover Ratio should be 0.20 and 0.16 for existing constituents
3. Trading frequency should be minimum 90%.
4. Top 150 stocks would be selected based on 6 months average free float market cap.
5. In case the total count is less than 150 after performing step 4, the next best stock would be selected based on highest 6-month average free float market cap till the minimum number of 150 is reached.

Ongoing review and Maintenance:

The top 120 companies (whether a current constituent or not) are selected for index inclusion based on average 6-month free float market capitalisation. Existing constituents ranked 121 to 180 are retained in order of highest rank until the target constituent count of 150 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

The following derivative market linkage constraints are also considered for inclusion:

a. The individual float weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.

b. The aggregate weight of the index constituents not linked to derivatives trading cannot exceed 10%.

If any of the above derivative market linkage constraints are violated during reconstitution, the next eligible stock is selected for index inclusion.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 200

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index will result in more than 200 stocks in the index. However, the number of companies in the index remains fixed at 200.

Index Construction. The following company data points are calculated for each eligible company:

1. Average daily total market capitalization
2. Annualized traded value
3. Trading frequency

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference date. If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the eligible universe screening and index construction process are from the listing date.

Where a company has multiple share classes, the eligible share classes are combined to measure the company's data point 1. Data points 2-3 are measured independently for each of the eligible share classes.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the observation period. The annualization is calculated using 250 trading days in a year.

Constituents are selected for index inclusion as follows:

1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion.
    a. Have an annualized traded value greater than or equal to INR 500 crores. Current index constituents with an annualized traded value of at least INR 400 crores remain eligible for index inclusion provided they meet the other eligibility criteria.
    b. Stocks must have traded for at least 90% of the trading days at BSE during the six-month reference period.
2. Companies satisfying the criteria in step 1 are then ranked based on average daily total market capitalization. The top 160 companies are selected for index inclusion. Existing constituents ranked 161 – 240 are selected in order of highest rank until the target constituent count of 200 companies is reached. If after this step the target constituent count is not achieved, then non-constituents are added in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 200 Equal Weight

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index will result in more than 200 stocks in the index. However, the number of companies in the index remains fixed at 200.

Index Construction. The following company data points are calculated for each eligible company:

1. Average daily total market capitalization
2. Annualized traded value
3. Trading frequency

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference date. If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the eligible universe screening and index construction process are from the listing date.

Where a company has multiple share classes, the eligible share classes are combined to measure the company's data point 1. Data points 2-3 are measured independently for each of the eligible share classes.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the observation period. The annualization is calculated using 250 trading days in a year.

Constituents are selected for index inclusion as follows:

1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion.
    a. Have an annualized traded value greater than or equal to INR 500 crores. Current index constituents with an annualized traded value of at least INR 400 crores remain eligible for index inclusion provided they meet the other eligibility criteria.
    b. Stocks must have traded for at least 90% of the trading days at BSE during the six-month reference period.
2. Companies satisfying the criteria in step 1 are then ranked based on average daily total market capitalization. The top 160 companies are selected for index inclusion. Existing constituents ranked 161 – 240 are selected in order of highest rank until the target constituent count of 200 companies is reached. If after this step the target constituent count is not achieved, then non-constituents are added in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are equal weighted based on their float-adjusted market capitalization.

BSE 500

Eligible Universe. The index is derived from the constituents of the BSE 1000[8] The inclusion of DVRs in the index will result in more than 500 stocks in the index. However, the number of companies in the index remains fixed at 500.

Index Construction. The following company data points are calculated for each eligible company:

1. Average daily total market capitalization
2. Average daily free-float market capitalization
3. Annualized traded value
4. Trading frequency

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference date. If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the eligible universe screening and index construction process are from the listing date.

Where a company has multiple share classes, the eligible share classes are combined to measure the company's data point 1. Data points 2-3 are measured independently for each of the eligible share classes.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the observation period. The annualization is calculated using 250 trading days in a year.

Constituents are selected for index inclusion as follows:

1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion.
    a. Stocks must rank in the top 750 in the eligible universe based on annualized traded value.
    b. Stocks must rank in the top 750 in the eligible universe based on 6 months average free float market capitalization. The index aims to have a company count of 500 at each rebalancing. If a shortfall occurs, point b would be relaxed in increments of 100 until a target count of eligible universe is reached.
    c. Stocks must have traded for at least 80% of the trading days at BSE during the six-month reference period.
2. Companies satisfying the criteria in step 1 are then ranked based on average daily total market capitalization. The top 400 companies are selected for index inclusion. Existing constituents ranked 401-600 are selected in order of highest rank until the target constituent count of 500 companies is reached. If after this step the target constituent count is not achieved, then non-constituents are added in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

[8] For information on the BSE 1000, please refer to the BSE 1000 Indices Methodology available at www.bseindia.com.

BSE 500 Equal Weight

Eligible Universe. The index is derived from the constituents of the BSE 1000[9] The inclusion of DVRs in the index will result in more than 500 stocks in the index. However, the number of companies in the index remains fixed at 500.

Index Construction. The following company data points are calculated for each eligible company:

1. Average daily total market capitalization
2. Average daily free-float market capitalization
3. Annualized traded value
4. Trading frequency

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference date. If a stock's listing history is less than six months, as of the rebalancing reference date, all data used in the eligible universe screening and index construction process are from the listing date.

Where a company has multiple share classes, the eligible share classes are combined to measure the company's data point 1. Data points 2-3 are measured independently for each of the eligible share classes.

Annualized traded value is calculated by taking the median of the monthly medians of the daily traded values over the observation period. The annualization is calculated using 250 trading days in a year.

Constituents are selected for index inclusion as follows:

1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion.
    a. Stocks must rank in the top 750 in the eligible universe based on annualized traded value.
    b. Stocks must rank in the top 750 in the eligible universe based on 6 months average free float market capitalization. The index aims to have a company count of 500 at each rebalancing. If a shortfall occurs, point b would be relaxed in increments of 100 until a target count of eligible universe is reached.
    c. Stocks must have traded for at least 80% of the trading days at BSE during the six-month reference period.

3. Companies satisfying the criteria in step 1 are then ranked based on average daily total market capitalization. The top 400 companies are selected for index inclusion. Existing constituents ranked 401-600 are selected in order of highest rank until the target constituent count of 500 companies is reached. If after this step the target constituent count is not achieved, then non-constituents are added in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are equal weighted based on their float-adjusted market capitalization.

[9] For information on the BSE 1000, please refer to the BSE 1000 Indices Methodology available at www.bseindia.com.

BSE 150 MidCap

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index may result in more than 150 stocks in the index. However, the number of companies in the index remains fixed at 150. Where a company has multiple share classes, the eligible share classes are combined to measure the company's market capitalization

Index Construction. All the companies in the BSE 500 that are not part of the BSE 100 LargeCap TMC are ranked based on average six-month daily total market capitalization.[10] From the remaining universe of 400 stocks, the top 120 companies (whether a current constituent or not) are selected for index inclusion. Existing constituents ranked 121 – 180 are selected in order of highest rank until the target constituent count of 150 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

[10] For history prior to May 29, 2017, full rebalancings were conducted at both the scheduled rebalancing and ad-hoc rebalancing, driven by additions/deletions due to corporate actions. The companies were selected based on total market capitalization as of the open of the rebalancing effective date. In addition, no buffers were applied during that period.

BSE Focused MidCap

Eligible Universe. The Index is derived from the constituents of the BSE 150 MidCap. To be eligible for index inclusion, the constituent must be linked to derivative trading (i.e. have a derivative contract).

Index Construction. All eligible companies are ranked based on average daily float-adjusted market capitalisation. The top 15 companies (whether a current constituent or not) are selected for index inclusion. Existing constituents ranked 16 to 25 are selected in order of highest rank until the target constituent of 20 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 250 SmallCap

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index may result in more than 250 stocks in the index. However, the number of companies in the index remains fixed at 250.

Index Construction. All constituents of the BSE 500 that are not members of the BSE 100 LargeCap TMC and BSE 150 MidCap are selected and form the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.[11]

[11] For history prior to May 29, 2017, full rebalancings were conducted at both the scheduled rebalancing and ad-hoc rebalancing, driven by additions/deletions due to corporate actions. The companies were selected based on total market capitalization as of the open of the rebalancing effective date. In addition, no buffers were applied during that period.

BSE 250 LargeMidCap

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index may result in more than 250 stocks in the index. However, the number of companies in the index remains fixed at 250.

Index Construction. All constituents of the BSE 100 LargeCap TMC and BSE 150 MidCap together form the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 400 MidSmallCap

Eligible Universe. The index is derived from the constituents of the BSE 500. The inclusion of DVRs in the index may result in more than 400 stocks in the index. However, the number of companies in the index remains fixed at 400.

Index Construction. All constituents of the BSE 500 that are not members of the BSE 100 LargeCap TMC form the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 250 LargeMidCap 65:35

Underlying Indices. BSE 100 LargeCap TMC and BSE 150 MidCap.

Underlying Index	Index Code	Index Weight
BSE 100 LargeCap TMC	LCTMCIP	65%
BSE 150 MidCap	MID150P	35%

Index Eligibility. All constituents of the underlying indices are eligible for index inclusion.

Index Calculation. The index uses the following formula:

On any trading date, *t*, the index is calculated as follows using the component indices as detailed on the prior pages:

$$Index_t = Index_{PB} * (1 + IndexReturn_t)$$

$$IndexReturn_t = \sum_{i=1}^{n} W_i R_i$$

where:

IndexPB = Index value on the previous rebalancing date.

wi = Weight of an asset class *i*.

Ri = Cumulative return of the representative asset class *i* at *t* from the previous rebalancing date.

Rebalancing. The index is rebalanced quarterly, effective after the close of the third Friday of March, June, September, and December. At each rebalancing, the weights of the underlying indices are reset to 65% and 35% of the total index weight.

Index Maintenance. All index adjustments and corporate action treatments follow the underlying index.

BSE PSU

Eligible Universe. BSE 500 companies classified as a PSU by BSE are eligible for the index.

Index Construction. Companies classified under the category “PSU” and are part of BSE 500 after the review form the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

Additions. No additions are made to the index between rebalancings.

BSE CPSE

Eligible Universe. All the companies classified as CPSE by the Ministry of Public Sector Enterprises are eligible for the index. CPSE refers to any public sector undertaking where the Central Government or any other CPSE holding is equal to or greater than 51%. Public Sector Banks are not classified as CPSE. CPSE companies with the following characteristics are not eligible for index inclusion:

1. Companies classified in Z group by BSE.
2. Companies traded under a permitted category at BSE.
3. Companies objected by the Surveillance Department of BSE.
4. Companies identified on the Graded Surveillance Measure (GSM) list.[12] In addition, a company dropped due to inclusion on the GSM list must remain off the list for six consecutive months prior to the rebalancing reference date to be reconsidered for index inclusion.
5. Companies traded on the BSE's SME platform.
6. Companies suspended, as of the rebalancing reference date.

Index Construction. Companies classified as "CPSE" by the Ministry of Public Sector Enterprise and listed on BSE Ltd. form the index.

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

Additions. No additions are made to the index between rebalancings.

Deletions. Any company added to the GSM list will be dropped from the index effective at the open of Tuesday, following the first Monday of every month. The reference date for the list is the third Friday of every month.

[12] For more details, please refer to https://www.bseindia.com/markets/equity/EQReports/graded_surveil_measure.aspx?expandable=6.

BSE Bharat 22 Index

Eligible Universe. The following companies listed on the BSE Ltd. are eligible for index inclusion:

1. All companies classified as Central Public Sector Enterprises (CPSE) by the Government of India.
2. All companies classified as Specific Undertaking of the Unit Trust of India (SUUTI).
3. All Public Sector Undertaking (PSU) Banks.
4. All other companies disinvested by the Government of India.

Index Construction. The Government of India publishes a list[13] of certain stocks from the eligible universe, all of which are under the disinvestment program. These stocks are selected and form the index.

Constituent Weightings. Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 15% and a common India Industry Classification Structure macro-economic indicator weight cap of 20%. Individual stock and sector weight caps are applied during the annual March rebalancing.

Additions and Deletions. Additions and deletions to the index occur only where the Government of India notifies the public of a change under its disinvestment program on their website.[11] Changes to the index will be made within a reasonable time frame, subject to five business days advance notice. In addition to the annual March rebalancing, any addition to or deletion from the index will trigger an ad-hoc rebalancing to reweight all individual stock and sector caps. For any ad-hoc rebalancing, constituents' index shares are calculated using closing prices seven business days prior to the rebalancing date.

Please refer to the Corporate Action table in *Index Maintenance* for details on how spin-off additions are treated.

[13] For the publicly available list of constituent stocks at launch, please refer to http://pib.nic.in/newsite/PrintRelease.aspx?relid=169636. For notice of changes to the Government of India's disinvestment program, please refer to http://pib.nic.in/newsite/erelease.aspx.

BSE REITs and InvITs Index

Eligible Universe. All stocks listed on BSE Ltd. that are domiciled in India and classified as Real Estate Investment Trusts (REITs) or Infrastructure Investment Trusts (InvITs) are eligible for the index. Stocks with the following characteristics as of the reference date are not eligible for index inclusion:

1. Stocks with a trading frequency of less than 80% during the previous six months.
2. Stocks with a listing history of less than one month.
3. Stocks with a float-adjusted market capitalization less than INR 100 crores.
4. Have an impact cost of greater than 1% over the prior six-month period.

In addition to the above stock-level rules, companies with the following characteristics as of the reference date are not eligible for index inclusion:

1. Companies classified in Z group by BSE.
2. Companies traded under a permitted category at BSE.
3. Companies objected to by the Surveillance Department of BSE.
4. Companies identified on the Graded Surveillance Measure (GSM) list.[14] In addition, a company dropped due to inclusion on the GSM list must remain off the list for six consecutive months prior to the rebalancing reference date to be reconsidered for index inclusion.
5. Companies traded on the BSE's SME/Startup platform.
6. Companies that are suspended.

Index Construction. Select all eligible stocks to form the index.

Constituent Weightings. Index constituents are float-adjusted market capitalization weighted, with the following capping rules at each quarter effective at the open of Monday following the third Friday of March, June, September and December. Constituents' index shares are calculated using closing prices on the Monday prior to the second Friday of the rebalancing month as the reference price.

The following capping procedure would be followed:

1. Constituents that are classified as REITs at basic industry level should have a minimum aggregate weight of 65%.
2. The weight of each security in the index is capped at 33% and the aggregate weight of the top three securities is capped at 63%.

Fast-Tracked IPOs: To allow for the immediate inclusion or "fast track" of significantly sized IPOs (classified as Real Estate Investment Trusts (REITs) or Infrastructure Investment Trusts (InvITs)) in the BSE REITs and InvITs Index, companies must satisfy the following criteria to be considered for inclusion:

1. Stocks should have a trading frequency of more than 80% during the reference period
2. Stocks should have a float-adjusted market capitalization of more than INR 100 crores

Any company getting listed between the Monday following 3rd Friday of T-2 month until the 3rd Friday of T-1 month (where T is the current month) would be checked for eligibility. All the data points considered would be for the period of one month ending 3rd Friday of current month. Companies meeting all the criteria are added to the index at the market open on the Tuesday following the first Monday of each month.

Constituents' index shares are calculated using closing prices of Monday of last week of the current month as the reference price.

[14] For more details, please refer to https://www.bseindia.com/markets/equity/EQReports/graded_surveil_measure.aspx?expandable=6.

BSE Power & Energy

Eligible Universe. The Index is derived from the constituents of BSE 500 Index that are classified under the Macro-Economic Indicator as Energy (all constituents under this group) and Utilities (constituents sub-categorised as Power under the Industry level) are eligible for the index.

Index Construction. Select all eligible stocks to form the index.

Constituent Weightings. Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 15%. Individual stock weight caps are applied at each quarter effective at the open of Monday following the third Friday of March, June, September and December. Constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price.

Additions and Deletions. Any addition to or deletion from the index will trigger an ad-hoc rebalancing to reweight all individual stock caps. For any ad-hoc rebalancing, constituents index shares are calculated using closing prices seven business days prior to the rebalancing date.

BSE Capital Markets & Insurance

Eligible Universe. The Index is derived from the constituents of BSE 500 Index that are classified under Capital Markets and Insurance Industry.

Index Construction. Select all eligible stocks to form the index. Maximum Constituents in the Index cannot be more than 30.

Constituent Weightings. Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 10%. Individual stock weight caps are applied at each quarter effective at the open of Monday following the third Friday of March, June, September and December. Constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price.

Additions and Deletions. Any addition to or deletion from the index will trigger an ad-hoc rebalancing to reweight all individual stock caps. For any ad-hoc rebalancing, constituents index shares are calculated using closing prices seven business days prior to the rebalancing date.

BSE Multicap Consumption (50:30:20)

Eligible Universe. The index is derived from the constituents of the BSE 500. Stocks that form a part of Macro Economic Indicator “Consumer Discretionary” or “Fast Moving Consumer Goods”, would form a part of Eligible Universe.

Index Construction.

1. Stocks forming part of eligible universe would be ranked based on Average 6-month Total Market Capitalisation.
2. Top 100 stocks would be selected in the Index.

Ongoing review and Maintenance:

The top 80 companies (whether a current constituent or not) are selected for index inclusion based on average 6-month Total market capitalisation. Existing constituents ranked 81 to 120 are retained in order of highest rank until the target constituent count of 100 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weightings.

Index constituents are weighted based on their float-adjusted market capitalization, subject to the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September, and December, respectively.

1. Stocks in the index are classified into either Large, Mid or Small group based on whether the stock belongs to BSE 100 LargeCap TMC Index, BSE 150 MidCap Index or BSE 250 SmallCap Index.
2. Aggregate weightage of these 3 groups are fixed as follows:
    a. Large 50%
    b. Mid 30%
    c. Small 20%
3. Individual constituents are further capped at 10% within each group.

Additions and Deletions. Any addition to or deletion from the index will trigger an ad-hoc rebalancing to reweigh all individual stock caps. For any ad-hoc rebalancing, constituents index shares are calculated using closing prices seven business days prior to the rebalancing date.

BSE Top 10 Banks

Eligible Universe. The index is derived from the constituents of the BSE 500. Stocks which are classified as “Banks” at Industry Level would form a part of Eligible Universe.

Index Construction.

1. Stocks forming part of eligible universe would be ranked based on Average 6-month Free-Float Market Capitalisation.
2. Top 10 stocks would be selected in the Index.

Ongoing review and Maintenance:

The top 10 companies (whether a current constituent or not) are selected for index inclusion based on average 6-month Free-float market capitalisation. Existing constituents ranking beyond 10 are excluded.

Constituent Weightings.

Index constituents are weighted based on their float-adjusted market capitalization, subject to the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September, and December, respectively.

1. Single constituent weights are capped at 33%.
2. The aggregate weight of the top three index constituents shall not be more than 63% of the index.
3. If the above constraints are breached, any excess weight is proportionately redistributed to all uncapped stocks. As part of the redistribution, the ranking of stocks based on final weights will remain in line with their rankings based on free-float market capitalisation.

Additions and Deletions. Any addition to or deletion from the index will trigger an ad-hoc rebalancing to reweight all individual stock caps. For any ad-hoc rebalancing, constituents index shares are calculated using closing prices seven business days prior to the rebalancing date.

BSE TEC*k*

Eligible Universe. The BSE TEC*k* index comprises constituents of the BSE 500 that are classified as members of the Media, Entertainment & Publication, Information Technology & Telecommunication sectors as defined by the BSE Industry Classification system.

Index Construction.

Market Coverage. Eligible stocks as per the Basic Industries provided in Appendix-Table 1 are selected based on their average float-adjusted market capitalization rank, until a minimum market coverage of 90% of the average float-adjusted market capitalization per sector is achieved. The index aims for each sector to have a minimum constituent count of 10, with 90% coverage. In cases where there are fewer than 10 eligible constituents, the 90% coverage ratio is still maintained.

Liquidity. Companies must have a minimum trading frequency of 90% in the preceding six months.

Buffers. A buffer of 2% both for inclusion and exclusion in the index is considered to minimize the turnover. For example, a non-constituent is included in the index only if it falls within 88% coverage and an existing index constituent is not excluded unless it falls above 92% coverage. However, the buffer criterion is applied only after the minimum 90% float-adjusted market capitalization coverage is satisfied. To maintain a minimum count of 10 in the index, constituents are retained, and non-constituents are included based on their average float-adjusted market capitalization rank.

Constituent Weightings.

Index constituents are weighted based on their float-adjusted market capitalization.

BSE IPO

Eligible Universe. Companies listed on BSE after the completion of their IPO are considered eligible for inclusion in the index. Follow-on public issues are not eligible for inclusion.

Index Construction. A company must have minimum float-adjusted market capitalization of INR 100 crores based on the issue price.

A company is included in the index on the third day of listing subject to the fulfillment of the minimum float-adjusted market capitalization criteria.

A company is excluded from the index at the open of the Monday following the third Friday of the month after the completion of one year of listing.

A minimum of 10 companies are maintained in the index.

If there are less than 10 companies due to a possible exclusion after one year, the exclusion of the company is delayed until a new inclusion is made to the index

Constituent Weightings. The index is weighted by float-adjusted market capitalization, subject to an individual stock weight cap of 20%. Weights are updated at each monthly rebalancing.

BSE SME IPO

Eligible Universe. Companies listed on the BSE SME Platform after the completion of their IPO are considered eligible for inclusion in the index. Follow-on public issues are considered ineligible for inclusion.

Index Construction. At each rebalancing, the constituents of the eligible universe are selected and form the index, subject to the following:

- A company is included in the index on the second day of its listing.
- A company is excluded from the index at the open of the Monday following the third Friday of the month after completion of one year of listing on the BSE SME Platform.
- A company that migrates from the BSE SME Platform to the BSE Mainboard Platform is removed from the index on the effective date of the migration, even if the migration occurs before the completion of one year of listing.
- A minimum of 10 companies is maintained in the index at all times.

If the removal of a company due to violation of the one-year listing rule would result in fewer than the minimum 10 companies, the exclusion is delayed until a new company is included in the index.[15]

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

[15] The index calculation started with five constituents for its base composition in back testing.

BSE DOLLEX Indices

Index Construction. The BSE SENSEX represents the universe for the BSE DOLLEX 30. The BSE 100 is the universe for the BSE DOLLEX 100, and the BSE 200 is the universe for the BSE DOLLEX 200.

The formula for calculating the indices is:

$$Dollex = \frac{Index\ Value\ (local\ currency) *\ Base\ USD - INR\ rate}{Current\ USD - INR\ rate}$$

Base Exchange Rates. Based exchange rates are shown in the table below.

Index	Base Rate (INR/USD)
BSE DOLLEX 30	8.21
BSE DOLLEX 100	10.345
BSE DOLLEX 200	16.649

Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization.

BSE 500 Dividend Leaders 50

Eligible Universe. The index is derived from the constituents of the BSE 500 that have paid dividends consistently over the past ten years.

Listing History. Stocks must have a listing history of at least 5 years

Index Construction. The following company data points are calculated for each eligible company:

1. Annual Dividend per share for each reference period
2. Average Dividend yield for the last 3 years
3. Z Score on the latest dividend yield and Average 3 years dividend yield
4. Total market capitalization on the last day of the reference period

Constituent Selection.

A. At each annual rebalancing, eligible companies must meet the following criteria:

- Companies must have completed a listing history of at least 5 years as on the reference date
- The company should have declared dividend at least 80% of times in past 10 years or from the date of listing, whichever is lower
- 3 Year Average Dividend Yield should not be in the bottom quartile within the eligible universe

B. Companies satisfying the criteria in Step A are then ranked based on their Normalized Z score. The top 30 companies are selected for direct inclusion. Existing constituents ranked 31 to 70 are selected in order of highest rank until the target constituent count of 50 is reached. If after this step the target count is not achieved, then non-constituents are added in order of highest rank until the target constituent count is reached.

C. The following additional checks are also taken into account:

   a. At least 85% of the securities in the portfolio should have given dividends in 2 out of 3 previous years
   b. At least 85% of the securities in the portfolio should have a dividend rate of at least 10%

If any of the above constraints are violated, the next eligible stock is selected for index inclusion based on the rank derived in Step B giving preference to those meeting above requirement.

Constituent Weightings. Index constituents are weighted by the product of float-adjusted market capitalization and Normalized Z score, subject to an individual stock weight cap of 4%. Individual stock weight caps are applied annually effective at the open of Monday following the third Friday of December. Constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price. Individual stock weight caps are also applied at each adhoc rebalancing.

Additions and Deletions. Any addition to or deletion from the index will trigger an ad-hoc rebalancing to reweight all individual stock. For any ad-hoc rebalancing, constituents index shares are calculated using closing prices seven business days prior to the rebalancing date.

If a company is dropped from an index due to a corporate action, the most eligible non-constituent company as of the last business day of the previous month based on the specific index's eligibility and construction criteria is added to the index as a replacement in order to maintain the target count.[16]

Z-score Computation. Computing a z-score is a widely adopted method of standardizing a variable in order to combine it with other variables that may have a different scale or unit of measurement. The z-score on latest Dividend Yield and Average 3 years Dividend Yield for each security is calculated separately using the mean and standard deviation of the relevant variable within the index universe.

The z-score is calculated as follows:

$$z_\alpha = \frac{(x_\alpha - \mu_\alpha)}{\sigma_\alpha}$$

where:

z_α = Z-score for a given security

x_α = relevant variable value of a given security

μ_α = Arithmetic mean of the relevant variable in the index universe, excluding any missing values

σ_α = Standard deviation of the relevant variable in the index universe

Average Z-score Computation. For each security, the average z-score is computed by taking a simple average of the two z-scores.

Outlier Handling and Winsorization. Outlier average z-scores are winsorized to ensure that the average values used to calculate the Normalized Z score are less distorted by extreme values. To do this, for a given average z-score, the values for all securities are first ranked in ascending order. Then, for securities that lie above 3 or below -3, their value is set as equal to 3 or -3, whichever is applicable.

Normalized Score Computation. Using the winsorized average z-scores, a normalized score is computed for each of the securities. For a given security, if its winsorized average z-score is above 0, then its normalized score will be the addition of 1 and the average z-score. On the other hand, if its winsorized average score is below 0, then its normalized score will be the result of the inverse of 1 subtracted by its winsorized average z-score.

If average Z > 0, Normalized Score = 1 + Z

If average Z < 0, Normalized Score = (1 / (1 – Z))

If average Z = 0, Normalized Score = 1

[16] For back-tested data for the BSE 500 Dividend Leaders 50, the eligible company ranked based on their Normalized Z score that was not selected for index inclusion at the last rebalancing was added to the index as a replacement.

BSE Diversified Financials Revenue Growth Index (INR).

Eligible Universe. The index universe is drawn from the constituents of the BSE 500. Only common stocks dual-listed[17] on national exchanges with a common India Industry Classification Structure macro-economic indicator of Financial Services,and not classified under the BSE Scrip category as a Public Sector Undertaking (PSU), are eligible.

Constituent Selection. At each semi-annual rebalancing, eligible stocks are subject to the following selection criterion:

> **Sales-per-Share Growth.** Stocks from the eligible universe, excluding IPO and demerger stocks during the past two years, are ranked based on average Sales-per-Share Growth numbers. From this universe, the top three quartiles (i.e., 75%) are selected for index inclusion, subject to a 10% buffer, applied as follows:
>
> The top 67.5% of stocks by Sales-per-Share Growth rank, (including both current and non-current constituents), are selected for index inclusion. Existing constituents between 67.5% – 82.5% are selected in order of highest rank until 75% is reached. If at this point fewer than 75% are selected non-constituents are added in order of highest rank until the target 75% is reached.

IPOs and Demergers. All eligible IPO stocks are included in the index. Eligible demerged stocks are added back into the index if they were previously an index constituent in either of the last two consecutive rebalancings as of the rebalancing reference date.

Rebalancing. The indices rebalance semi-annually, effective as of market open of the Monday following the third Friday of June and December, respectively. The rebalancing reference date is after the close of market on the last trading day of April and October, respectively. The reference universe for the index is composed of the underlying index as of market open on the upcoming rebalancing effective date.

- The reference date for sales-per-share data is after the close of market on the last trading day of January and July for the June and December rebalancings, respectively. The reference universe for the index is composed of the underlying index as of market open on the upcoming rebalancing effective date Constituent weights are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price.

Additions and Deletions. No stocks are added between semi-annual rebalancings. If the classification of a company, based on the common India Industry Classification Structure, changes between semi-annual rebalancings such that the company becomes ineligible, the company is deleted from the index at the quarterly share update.

Constituent Weighting. Constituents are weighted by float-adjusted market capitalization, subject to an individual stock weight cap of 5%, applied at each quarter effective as of market open on the Monday following the third Friday of March, June, September, and December, respectively[18].

For more information on weighting schemes, please refer to the Capped Market Capitalization Indices section of BISPL Index Mathematics Methodology.

[17] Dual-listing criteria shall be relaxed only in the case of any exchange and exchange subsidiaries listed on the BSE.
[18] The maximum stock weight cap is incrementally relaxed by 1% if the number of available stocks falls below 20.

BSE All Derivative Stocks Index

Eligible Universe. The index is derived from the constituents of the BSE 500. In order to be eligible for index inclusion, the constituent must be linked to derivative trading (i.e., have a derivative contract).

Index Construction. Select all eligible stocks to form the index.

Ongoing review and Maintenance:

The indices rebalance semi-annually, effective as of market open of the Monday following the third Friday of June and December, respectively. The rebalancing reference date is after the close of market on the last trading day of May and November, respectively. The reference universe for the index is composed of the underlying index as of market open on the upcoming rebalancing effective date.

Additions and Deletions. No stocks are added between semi-annual rebalancings.

Constituent Weightings.

Index constituents are weighted by the product of float-adjusted market capitalization and Momentum score, subject to an individual stock weight cap of 10%. Note that the capping algorithm redistributes the excess weight to the other stocks in proportion to their initial weights.

Individual stock weight caps are applied quarterly effective at the open of Monday following the third Friday of March, June, September and December. Constituents' index shares are calculated using closing prices on Wednesday prior to the second Friday of the rebalancing month as the reference price

Momentum Value Calculation.

Momentum value is calculated for each of the securities in the index universe on each of the rebalancing reference dates. The momentum value is determined as follows:

1. The momentum value is computed as the 12-month price change as on the reference date. The effective rebalancing month is stated as month (M).

$$\text{Momentum Value} = (\text{Price}_{-M-1}/\text{Price}_{-M-13}) - 1$$

2. The momentum value is further adjusted by the security's volatility.

$$\text{Risk-Adjusted Momentum Value} = \frac{MomentumValue_i}{\sigma_i}$$

where:

σ = Standard deviation of daily price returns for the same date period used in Step 1 above.

Z-Score & Momentum Score Computation

Z-Score Computation. Computing a z-score is a widely adopted method of standardizing a variable. The z-score for risk-adjusted momentum value for each security is calculated using the mean and standard deviation of the relevant variable within the index universe.

The z-score is calculated as follows:

$$z_{\alpha} = \frac{(x_{\alpha} - \mu_{\alpha})}{\sigma_{\alpha}}$$

where:

z_{α} = Z-score for a given security

x_{α} = Observed value for a given security

μ_{α} = Arithmetic mean of the variable in the index universe, excluding any missing values

σ_{α} = Standard deviation of the variable in the index universe

Winsorization reduces the impact of outliers on a data set by limiting them to a designated value or score. The winsorized z-score of a security is capped at ± 3.

Momentum Score Computation. Using the winsorized z-scores, a momentum score is computed for each of the securities. For a given security, if its winsorized z-score is above 0, then its momentum score will be the addition of 1 and the z-score. On the other hand, if its winsorized score is below 0, then its momentum score will be the result of the inverse of 1 subtracted by its z-score.

If Z > 0, Momentum Score = 1 + Z

If Z < 0, Momentum Score = (1 / (1 – Z))

If Z = 0, Momentum Score = 1

BSE Sector Indices

Index	Sector
BSE AUTO	As per Basic Industries Provided in Appendix-Table 1
BSE OIL & GAS	As per Basic Industries Provided in Appendix-Table 1
BSE METAL	As per Basic Industries Provided in Appendix-Table 1
BSE BANKEX[19]	Banks
BSE POWER[14]	Heavy Electrical Equipment, Power Generation, Integrated Power Utilities and Power – Transmission
BSE CAPITAL GOODS	As per Basic Industries Provided in Appendix-Table 1
BSE CONSUMER DURABLES	As per Basic Industries Provided in Appendix-Table 1
BSE REALTY	As per Basic Industries Provided in Appendix-Table 1

Market Coverage. Eligible stocks are selected based on their average float-adjusted market capitalization rank, until a minimum market coverage of 90% of the average float-adjusted market capitalization per sector is achieved.

Liquidity. Companies must have a minimum trading frequency of 90% in the preceding six months.

Buffers. A buffer of 2% both for inclusion and exclusion in the index is considered to minimize the turnover. For example, a non-constituent is included in the index only if it falls within 88% coverage and an existing index constituent is not excluded unless it falls above 92% coverage. However, the buffer criterion is applied only after the minimum 90% float-adjusted market capitalization coverage is satisfied. To maintain a minimum count of 10 in the index (except BANKEX wherein a minimum count of 14 is maintained and preference would be given to derivative stocks), constituents are retained, and non-constituents are included based on their average float-adjusted market capitalization rank.

Constituent Weightings. With the exception of the BANKEX & BSE OIL & GAS, the constituents of each of the BSE Sector Indices are weighted by float-adjusted market capitalization.

The BSE BANKEX employs a float adjusted market capitalization weighting scheme. At each quarterly rebalance, index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following conditions:

1. Individual constituent weight is capped at 19%
2. Aggregate weight of the top 3 stocks is capped at 43%
3. Aggregate weight of the top 5 stocks is capped at 60%
4. Any excess weight is distributed proportionally across the remaining stocks in the index.
5. Descending weight structure is maintained from top to bottom

The BSE OIL & GAS employ a non-market capitalization weighting scheme for corporate action.[20] At each quarterly share update, index constituents are weighted based on float-adjusted market capitalization, subject to a 20% weight cap. Any excess weight is distributed proportionally across the remaining stocks in the index.

Except for the indices listed below, *weighting scheme treatment is listed in the* Market Capitalization Weighted Indices section of *BISPL Index Mathematics Methodology*:

- BSE BANKEX
- BSE OIL & GAS

For weighting schemes in the indices mentioned above, please refer to the Capped-Market Capitalization Weighted Indices section of BISPL Index Mathematics Methodology.

[19] The index follows the common India Industry Classification Structure.

[20] The BSE BANKEX and BSE OIL & GAS employed a non-market capitalization weighting scheme effective after the close on January 23, 2015, and April 1, 2015, respectively. Prior to the effective date, the indices employed a float-adjusted market capitalization weighting scheme. W.E.F. December 26, 2025,the BSE BANKEX employs a float adjusted market capitalization weighting scheme and BSE Oil & Gas continues to employ a non-market capitalization weighting scheme.

BSE Focused IT

Eligible Universe. The Index is derived from the constituents of BSE 500 that are classified under the Macro-Economic Indicator as Information Technology.

Index Construction.

1. All companies part of the BSE 500 and belonging to 'Information Technology' Sector are selected as universe for the index.
2. Companies in the eligible universe are then ranked in the descending order of average six months daily float-adjusted market capitalization. The top 11 companies (with derivative linkage) are selected for index inclusion, whether a current constituent or not.
3. Existing constituents with derivative linkage, ranked from 12- 17 are retained in order of highest rank until the target constituent count of 14 is reached.
4. If after this step the target constituent count is still not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached (stocks with derivative linkage would be preferred).
5. The following derivative market linkage constraints will also be considered:

   a. The individual float-adjusted weight of any share class of a company that is not linked to derivatives trading cannot exceed 5% of the index.

   b. The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%.

Constituent Weightings.

Index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September and December respectively:

1. Individual constituent weight is capped at 19%
2. Aggregate weight of the top 3 stocks is capped at 43%
3. Aggregate weight of the top 5 stocks is capped at 60%
4. Any excess weight is distributed proportionally across the remaining stocks in the index.
5. Descending weight structure is maintained from top to bottom

BSE Private Banks

Eligible Universe. The index universe is drawn from the constituents of the BSE Financial Services. Only common stocks with a common India Industry Classification Structure industry of Banks and not classified under the BSE Scrip Category as a Public Sector Undertaking (PSU), are eligible.

Index Construction.

Constituent Selection. Constituent selection is as follows:

1. At each semi-annual rebalancing, eligible stocks must satisfy all of the following to be considered for index inclusion.
    a. Have an annualized traded value greater than or equal to INR 50 crores and a turnover ratio greater than or equal to 10% (INR 40 crores and a turnover ratio of at least 8% for current constituents).
    b. Have no more than five non-trading days in the past six months, as of the rebalancing reference date.
2. Stocks satisfying the criteria in step 1 are then ranked by average six-month daily float-adjusted market capitalization. The top 10 stocks (whether a current constituent or not) are selected for index inclusion. Existing constituents ranked 11-14 are selected in order of highest rank until the target constituent count of 12 is reached. If after this step the target constituent count is not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached.

Constituent Weighting. Constituents are weighted by float-adjusted market capitalization at each quarter effective as of market open on the Monday following the third Friday of March, June, September and December, respectively. Weights are subject to the following constraints:

1. Single constituent weights are capped at 33%.
2. The aggregate weight of the top three index constituents shall not be more than 63% of the index.
3. If the above constraints are breached, any excess weight is proportionately redistributed to all uncapped stocks. As part of the redistribution, the ranking of stocks based on final weights will remain in line with their rankings based on float-adjusted market capitalization.

For more information on weighting schemes, please refer to the Capped Market Capitalization Indices section of BISPL Index Mathematics Methodology

BSE PSU Banks

Eligible Universe. The index universe is drawn from the constituents of BSE 500. Only common stocks with a common India Industry Classification Structure industry of Banks, and classified under the BSE Scrip Category as a Public Sector Undertaking (PSU), are eligible.

Index Construction.

Constituent Selection. At each rebalancing, all eligible stocks classified under the BSE Scrip Category as a Public Sector Undertaking (PSU), are selected.

Constituent Weighting. Constituents are weighted by float-adjusted market capitalization subject to an individual stock weight cap of 25% applied at each quarter effective as of market open on the Monday following the third Friday of March, June, September and December, respectively.

For more information on weighting schemes, please refer to the Capped Market Capitalization Indices section of BISPL Index Mathematics Methodology

BSE Realized Volatility Indices

Index Calculations. The formula for realized volatility uses continuously compounded daily returns assuming a mean daily price return of zero. The summation of the squared daily returns is annualized, assuming 252 business days per year.

The following formula is used to calculate the value of the index on the n^{th} day of the underlying option expiration cycle. At BSE, the options expire on the last Thursday of the month.

$$REALVOL_n = \sqrt{252 * \left(\frac{\sum_{t=1}^{n} R_t^2}{n}\right)}$$

where:

n = n^{th} day of the underlying option expiration cycle; resets to 1 at the start of a new cycle.

R_t = $\ln \frac{P_t}{P_{t-1}}$ = One-day log return of the BSE SENSEX.

P_t = Closing value of the BSE SENSEX on the t^{th} day of the option expiration cycle.

Index Maintenance

Rebalancing

Index rebalancing's occur as detailed in the table below. The table is arranged in chronological order.
Note: The Effective dates are at the market open and Reference dates are after the market close.

<table>
<tr><th>Category</th><th>Index</th><th>Frequency</th><th>Effective Date</th><th>Reference Date</th></tr>
<tr><td rowspan="17">Broad</td><td>BSE SENSEX</td><td rowspan="17">Semi-annual</td><td rowspan="17">Monday following the third Friday of June and December</td><td rowspan="17">Last trading day of April and October</td></tr>
<tr><td>BSE SENSEX Next 30</td></tr>
<tr><td>BSE SENSEX Sixty</td></tr>
<tr><td>BSE 100</td></tr>
<tr><td>BSE SENSEX 50</td></tr>
<tr><td>BSE SENSEX Next 50</td></tr>
<tr><td>BSE 100 LargeCap TMC</td></tr>
<tr><td>BSE SENSEX 50 TMC</td></tr>
<tr><td>BSE SENSEX Next 50 TMC</td></tr>
<tr><td>BSE India 150</td></tr>
<tr><td>BSE 200</td></tr>
<tr><td>BSE 500</td></tr>
<tr><td>BSE 150 MidCap</td></tr>
<tr><td>BSE Focused MidCap</td></tr>
<tr><td>BSE 250 SmallCap</td></tr>
<tr><td>BSE 250 LargeMidCap</td></tr>
<tr><td>BSE 400 MidSmallCap</td></tr>
<tr><td rowspan="6">Thematic</td><td>BSE PSU
BSE CPSE</td><td>Semi-annual</td><td>Monday following the third Friday of June and December</td><td>Last trading day of April and October</td></tr>
<tr><td>BSE Bharat 22 Index[21]</td><td>Annual</td><td>Monday following the third Friday of March</td><td>--</td></tr>
<tr><td>BSE Power & Energy</td><td>Semi-annual</td><td>Monday following the third Friday of June and December</td><td>Last trading day of April and October</td></tr>
<tr><td>BSE Capital Markets & Insurance</td><td>Semi-annual</td><td>Monday following the third Friday of June and December</td><td>Last trading day of April and October</td></tr>
<tr><td>BSE Multicap Consumption (50:30:20)</td><td>Semi-annual</td><td>Monday following the third Friday of June and December</td><td>Last trading day of April and October</td></tr>
<tr><td>BSE TECk</td><td>Semi-annual</td><td>Monday following the third Friday of June and December</td><td>Last trading day of April and October</td></tr>
<tr><td>Hybrid</td><td>BSE REITs and InvITs Index</td><td>Semi-annual</td><td>Monday following the third Friday of March and September</td><td>Third Friday of February and August</td></tr>
</table>

[21] If an ad-hoc rebalancing occurs within the three months prior to the annual March rebalancing, then the annual March rebalancing for that year is not conducted.

Category	Index	Frequency	Effective Date	Reference Date
Investment Strategy	BSE DOLLEX 30 BSE DOLLEX 100 BSE DOLLEX 200 BSE 200 Equal Weight BSE 500 Equal Weight BSE SENSEX Equal Weight BSE SENSEX Sixty 65:35 BSE Diversified Financials Revenue Growth Index (INR)	Semi-annual	Monday following the third Friday of June and December	Last trading day of April and October
	BSE All Derivative Stocks Index			Last trading day of May and Nov
	BSE 500 Dividend Leaders 50	Annual	Monday following the third Friday of December	Last trading day of October
	BSE IPO BSE SME IPO BSE SENSEX Futures Index BSE Arbitrage Rate Index BSE 500 and Arbitrage Rate 50/50 Blend Index	Monthly	Monday following the third Friday of the month	--
			One day before the futures contract expiration date	--
	BSE 250 LargeMidCap, 65:35 BSE 500 Long + 150 Midcap 1X Inverse BSE 500 Long + 200 1X Inverse	Quarterly	Monday following the third Friday of March, June, September and December	--
	BSE SENSEX 2X Leverage Daily Index BSE SENSEX 1X Inverse Daily Index BSE SENSEX 2X Inverse Daily Index BSE 150 Midcap 1X Inverse Daily Index BSE 200 1X Inverse Daily Index	--	--	--
Sector	BSE AUTO BSE BANKEX BSE CAPITAL GOODS BSE CONSUMER DURABLES BSE METAL BSE OIL & GAS BSE POWER BSE REALTY BSE PSU Banks BSE Top 10 Banks BSE Focused IT	Semi-annual	Monday following the third Friday of June and December	Last trading day of April and October
	BSE Private Banks		Monday following the third Friday of March and September	Third Friday of Feb and Aug

For non-market capitalization weighted indices, constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price. Index share amounts are calculated and assigned to each stock to arrive at the weights determined on the reference date. Since index shares are assigned based on the reference prices, the actual weight of each stock at the rebalancing differs from these weights due to market movements.

Share Updates. Changes in shares outstanding of less than 5% are accumulated and made quarterly at the open of the Monday following the third Friday of March, June, September, and December. Changes in shares outstanding of 5% or more are made as soon as reasonably possible after the data has been verified.

For more information, please refer to BISPL Equity Index Policy.

Float Adjustment. Investable Weight Factors (IWFs), which define the available float for a company, are reviewed on a quarterly basis and are implemented at the open of the Monday following the third Friday of March, June, September and December. Changes to a company's IWF of five percentage points or more (for example from 0.80 to 0.85) are made as soon as reasonably possible after the data has been verified.

Foreign investment limits are not applied while calculating the IWF for BSE index constituents.

For details on float adjustment and Investable Weight Factors, please refer to BISPL Indices' Float Adjustment Methodology.

Ongoing Maintenance

The indices are also reviewed on an ongoing basis to account for events such as mergers, takeovers, delistings, group changes, suspensions, surveillance objections, graded surveillance measure objections, spin-offs/demergers, or bankruptcies. Changes to index composition and related weight adjustments are made as soon as they are effective. These changes are typically announced one to five business days prior to the implementation date.

Additions

Broad-based Indices. Between rebalancings, if a company's ordinary share class is added to a Broad-based index, its DVR share class is also eligible for index inclusion provided it meets all of the criteria as specified in *Eligibility Criteria and Index Construction*. If a company is dropped from an index due to a corporate action, the most eligible non-constituent company as of the last business day of the previous month based on the specific index's eligibility and construction criteria is added to the index as a replacement in order to maintain the target count.[22]

Any addition of a new company into the BSE 500 (which is not added to the BSE 100 LargeCap TMC) is added to either the BSE 150 MidCap or BSE 250 SmallCap based on its daily six-month average total market capitalization as of the last business day of the previous month.[23]

Fast-Tracked IPOs. To allow for the immediate inclusion or "fast track" of significantly sized IPOs in the BSE indices, the IPO must be among the top 10 companies, based on a respective index's construction ranking criteria. In addition, IPO stocks that include DVR stocks must satisfy all other criteria mentioned under the "*Eligibility and Index Construction*" section of each index. In such cases, the minimum listing history required is one month. For BSE SENSEX Index, stocks must also have a derivative contract. Companies meeting these criteria are added to the broad-based indices with five days' notice to clients. If a fast-tracked IPO is added to an index, then the smallest company, by the respective construction ranking criteria, is removed. The data reference period is one month from the IPO listing date.

Such IPOs must also satisfy the derivatives market linkage rule to be included in the BSE 100, BSE SENSEX Next 30, BSE SENSEX 50, BSE SENSEX Next 50, BSE 100 LargeCap TMC, and BSE SENSEX 50 TMC. If a fast-tracked IPO is added to the BSE SENSEX 50, then the smallest company by rank in the index is dropped and added to the BSE SENSEX Next 50. In such a case, the smallest company by rank in the BSE SENSEX Next 50 is dropped so that the index maintains its target count of 50 companies. Similarly, if a fast-tracked IPO is added to the BSE SENSEX 50 TMC[24], then the smallest company by rank in the index is dropped and added to the BSE SENSEX Next 50 TMC. In such a case, the smallest company by rank in the BSE SENSEX Next 50 TMC is dropped so that the index maintains the target count of 50 companies.

BSE Sector Indices. If the sector classification of a company changes between rebalancings, the change is accounted for at the quarterly share update. Companies that change to an ineligible sector are dropped from the respective index on a quarterly basis. During the March and September quarterly share updates, deletions are made without replacements, even if the company count falls below 10. Replacements are only made to the indices during the June and December semi-annual rebalancings. Changes take effect at the open of the Monday following the third Friday of March, June, September, and December.

Deletions

Between rebalancings, a company can be deleted from an index due to events such as mergers, takeovers, delistings, group changes, suspensions, surveillance objections, graded surveillance measure objections,

[22] For back-tested data for the BSE SENSEX 50, the largest eligible company by float-adjusted market capitalization that was not selected for index inclusion at the last rebalancing was added to the index as a replacement.
[23] For history prior to May 29, 2017, full rebalancings were conducted at both the scheduled rebalancing and ad-hoc rebalancing, driven by additions/deletions due to corporate actions. The companies were selected based on total market capitalization as of the open of the rebalancing effective date. In addition, no buffers were applied during that period.
[24] The Fast-track IPO rule applies from the launch date for the BSE SENSEX 50 TMC and BSE SENSEX Next 50 TMC.

spin-offs/demergers, or bankruptcies. In addition, index constituents removed from an index's underlying universe are also deleted from the index on the same effective date.

- Whenever possible, changes in the index's components are announced at least one to five business days prior to their implementation date.
- Whenever practicable, BSE Index Services Pvt. Ltd. uses the closing price for all deletions.

Graded Surveillance Measure (GSM)

On a monthly basis, companies added to the GSM list are dropped from the indices. The effective date of the drop is at the open of the Tuesday following the first Monday of each month. The reference date for the GSM list data is the third Friday of the previous month.

Any company dropped due to inclusion on the GSM list must remain off the list for six consecutive months prior to the rebalancing reference date to be reconsidered for index inclusion.

Regulatory Review

In addition to the index construction and constituent weighting rules employed by each index, the BSE SENSEX, BSE SENSEX Next 30, BSE SENSEX Next 50, BSE Bharat 22 Index, BSE 500, and BSE 100 are checked for consistency with the four Securities and Exchange Board of India (SEBI) norms on a quarterly basis.[25] If the norms are found not to have been adhered to during the period under review, the index committee, at its discretion and on a case-by-case basis, will take appropriate measures to ensure compliance with the SEBI norms. Any changes resulting from the regulatory review will take effect at the open of the Monday following the third Friday of March, June, September, and December.

Corporate Actions

Except for the indices listed below, corporate action treatment is detailed in the Market Capitalization Weighted Indices section of BISPL Equity Index Policy:

- BSE OIL & GAS

For corporate action treatment in the indices above, please refer to the Non-Market Capitalization Weighted Indices section of BISPL Equity Index Policy.

Float-Adjusted Market Capitalization Weighted Indices. The following table details the most common corporate actions and index treatment for the BSE Indices employing a float-adjusted market capitalization weighting scheme.

Corporate Action	Adjustment to Index	Divisor Adjustment?
Spin-Off	In general, the parent company is dropped from the index. However, if information regarding price adjustment is available, the parent company may remain in the index with an adjusted price, at the discretion of the Index Committee.	Yes
Rights Offering	Rights price is adjusted, and index shares will be increased as per the Rights Ratio.	Yes
Stock Dividend (Bonus), Stock split, Reverse Stock Split	Index shares are multiplied by, and price is divided by, the split factor.	No

[25] For details on the four SEBI norms, please refer to SEBI circular no: SEBI/HO/IMD/DF3/CIR/P/2019/011, available at www.sebi.gov.in/legal/circulars/jan-2019/portfolio-concentration-norms-for-equity-exchange-traded-funds-etfs-and-index-funds_41588.html.

Change in Shares (new issue, repurchase, warrant conversion etc.)	Index shares and weights will change as per the corporate action.	Yes
Special Dividend	Price of stock making special dividend is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date.	Yes
Constituent Change	No intraday rebalancing.	No
	Deletions due to delisting, acquisition or any other corporate event resulting in the deletion of the stock from the index causes the weights of the rest of the stocks in the index to change.	Yes
	Stocks that are reclassified into Z group between rebalancings are removed from the index as soon as practicable.	Yes
	Rebalancing changes including additions, deletions and weight changes.	Yes

Non-Market Capitalization Weighted Indices. The following table details the most common corporate actions and index treatment for the BSE Indices employing a non-market capitalization weighting scheme, except for the BSE Bharat 22 Index whose specific corporate actions and index treatment are detailed in the next table.

Corporate Action	Adjustment to Index	Divisor Adjustment?
Spin-Off	In general, the parent company is dropped from the index. However, if information regarding price adjustment is available, the parent company may remain in the index with an adjusted price, at the discretion of the Index Committee.	Yes
Rights Offering	The price is adjusted to the Price of the Parent Company minus the Price of the Rights Offering/Rights Ratio. Index shares change so that the company's weight remains the same as its weight before the rights offering.	No
Stock Dividend (Bonus), Stock split, Reverse Stock Split	Index shares are multiplied by, and price is divided by, the split factor.	No
Change in Shares (new issue, repurchase, warrant conversion etc.)	None.	No
Special Dividend	Price of stock making special dividend is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date.	Yes
Constituent Change	No intraday rebalancing.	No
	Deletions due to delisting, acquisition or any other corporate event resulting in the deletion of the stock from the index causes the weights of the rest of the stocks in the index to change.	Yes
	Stocks that are reclassified into Z group between rebalancings are removed from the index as soon as practicable.	Yes
	Rebalancing changes including additions, deletions and weight changes	Yes

Equal-Market Capitalization Weighted Indices. The following table details the most common corporate actions and index treatment for the BSE Indices employing a equal market capitalization weighting scheme:

Corporate Action	Adjustment to Index	Divisor Adjustment?
Spin-Off	In general, the parent company is dropped from the index. However, if information regarding price adjustment is available, the parent company may remain in the index with an adjusted price, at the discretion of the Index Oversight Committee.	No

Corporate Action	Adjustment to Index	Divisor Adjustment?
	Post listing of the spin off entity, it will be removed from the index. The weight of the spin-off entity is re-invested back into the parent stock on the deletion date. There will be no divisor adjustment in this case.	
Rights Offering	The price is adjusted to the Price of the Parent Company minus the Price of the Rights Offering/Rights Ratio. Index shares change so that the company's weight remains the same as its weight before the rights offering.	No
Stock Dividend (Bonus), Stock split, Reverse Stock Split	Index shares are multiplied by, and price is divided by, the split factor.	No
Change in Shares (new issue, repurchase, warrant conversion etc.)	None.	No
Special Dividend	Price of stock making special dividend is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date.	Yes
Constituent Change	No intraday rebalancing.	No
	Deletions due to delisting, acquisition or any other corporate event resulting in the deletion of the stock from the index causes the weights of the rest of the stocks in the index to change.	Yes
	Stocks that are reclassified into Z group between rebalancings are removed from the index as soon as practicable.	Yes
	Rebalancing changes including additions, deletions and weight changes	Yes

BSE Bharat 22 Index. The following table details the most common corporate actions and index treatment for the index.

Corporate Action	Adjustment to Index	Divisor Adjustment?
Rights Offering	The price is adjusted to the Price of the Parent Company minus the Price of the Rights Offering/Rights Ratio. Index shares change so that the company's weight remains the same as its weight before the rights offering.	No
Stock Dividend (Bonus), Stock split, Reverse Stock Split	Index shares are multiplied by, and price is divided by, the split factor.	No
Change in Shares (new issue, repurchase, warrant conversion etc.)	None.	No
Special Dividend	Price of stock making special dividend is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date.	Yes
Constituent Change	Addition and deletion, as notified by Government of India, will result in ad-hoc rebalancing. Stocks will be reweighted based on the weighing scheme.	Yes
Spin-Off	Spin-offs are generally added to the index per the treatment described in *BISPL Equity Index Policy*. Any such addition will be announced to clients in advance. *For information on spin-off treatment, please refer to BISPL Equity Index Policy*	

For more information, please refer to [BISPL Equity Index Policy](#).

Currency of Calculation and Additional Index Return Series

All BSE Indices calculate in Indian rupees, except the BSE DOLLEX series, and the BSE 200. The BSE DOLLEX series is only calculated in U.S. dollars, while the BSE 200 is calculated in both Indian rupees and Australian dollars. BSE 250 Small Cap is calculated in Indian Rupees, USD and Japanese Yen. BSE India 150 is calculated in both Indian rupees and USD.

WMR rates provided by Refinitiv are taken daily at 2:30 PM India Time and used in the end-of-day calculation to calculate the indices in U.S. dollars and Australian dollars.

For information on the calculation of BSE BANKEX and BSE OIL & GAS, please refer to the Non-Market Capitalization Weighted Indices section of BISPL Index Mathematics Methodology.

For all other indices, index calculation schemes are detailed in the Market Capitalization Indices section of [BISPL Index Mathematics Methodology](#).

Base Dates and History Availability

Index history availability, base dates, and base values are shown in the table below:

Index	Launch Date	First Value Date	Base Date	Base Value
BSE SENSEX	02-Jan-86	03-Apr-79	1978-79	100
BSE SENSEX Equal Weight	05-Nov-24	21-June-04	21-June-04	5529.74
BSE SENSEX Next 30	05-Aug-24	20-June-14	20-June-14	10000
BSE SENSEX Sixty	04-Oct-24	23-June-14	23-June-14	10000
BSE SENSEX Sixty 65:35	04-Oct-24	23-June-14	23-June-14	10000
BSE Diversified Financials Revenue Growth Index (INR)	02-Apr-18	16-Dec-05	16-Dec-05	100
BSE SENSEX Futures Index	29-Sep-14	31-Jan-12	31-Jan-12	1000
BSE Arbitrage Rate Index (INR)	20-Mar-18	31-Jan-12	31-Jan-12	1000
BSE 500 and Arbitrage Rate 50/50 Blend Index	24-Jul-23	31-Jan-12	31-Jan-12	1000
BSE SENSEX 2X Leverage Daily Index	24-Mar-15	15-Jun-98	01-Jan-13	1000
BSE SENSEX 1X Inverse Daily Index	24-Mar-15	15-Jun-98	01-Jan-13	1000
BSE SENSEX 2X Inverse Daily Index	24-Mar-15	15-Jun-98	01-Jan-13	1000
BSE 100	03-Jan-89	03-Apr-84	1983-84	58
BSE SENSEX 50	06-Dec-16	16-Dec-05	16-Dec -05	2900
BSE SENSEX Next 50	27-Feb-17	16-Dec-05	16-Dec-05	7000
BSE 100 LargeCap TMC	09-Jul-18	16-Dec-05	16-Dec-05	1000
BSE SENSEX 50 TMC	18-Apr-18	16-Dec-05	16-Dec-05	1000
BSE SENSEX Next 50 TMC	18-Apr-18	16-Dec-05	16-Dec-05	1000
BSE India 150	17-Apr-25	20-Jun-05	20-Jun-05	1500
BSE 200	27-May-94	02-Jan-91	1989-90	100
BSE 200 Equal Weight	27-Sept-24	28-Jun-07	28-Jun-07	1850.96769
BSE 500	09-Aug-99	01-Feb-99	01-Feb-99	1000
BSE 500 Equal Weight	22-Jan-26	20-Jun-05	20-Jun-05	1000
BSE 500 Dividend Leaders 50	09-May-25	21-Dec-15	21-Dec-15	1000
BSE All Derivative Stocks Index	09-Jan-25	23-Jun-14	23-Jun-14	1000
BSE 150 MidCap	30-Nov-17	16-Sep-05	16-Sep-05	1000
BSE Focused MidCap	08-Oct-24	30-Nov-17	30-Nov-17	10000
BSE 250 SmallCap	30-Nov-17	16-Sep-05	16-Sep-05	1000
BSE 250 LargeMidCap	30-Nov-17	16-Sep-05	16-Sep-05	1000
BSE 400 MidSmallCap	30-Nov-17	16-Sep-05	16-Sep-05	1000
BSE 250 LargeMidCap, 65:35	30-Nov-17	16-Sep-05	16-Sep-05	1000
BSE CAPITAL GOODS	09-Aug-99	01-Feb-99	01-Feb-99	1000

Index	Launch Date	First Value Date	Base Date	Base Value
BSE CONSUMER DURABLES	09-Aug-99	01-Feb-99	01-Feb-99	1000
BSE PSU	04-Jun-01	01-Feb-99	01-Feb-99	1000
BSE CPSE	29-Sep-14	08-July-08	08-July-08	1000
BSE Bharat 22 Index[26]	10-Aug-17	17-Mar-06	17-Mar-06	1000
BSE TECK	11-Jul-01	31-Jan-00	02-Apr-01	1000
BSE BANKEX	23-Jun-03	01-Jan-02	01-Jan-02	1000
BSE AUTO	23-Aug-04	01-Feb-99	01-Feb-99	1000
BSE METAL	23-Aug-04	01-Feb-99	01-Feb-99	1000
BSE OIL & GAS	23-Aug-04	01-Feb-99	01-Feb-99	1000
BSE DOLLEX 30	25-Jul-01	03-Apr-79	1978-79	125.22
BSE DOLLEX 100	22-May-06	02-Jan-91	1983-84	167.62
BSE DOLLEX 200	27-May-94	02-Jan-91	1989-90	120.32
BSE REALTY	09-Jul-07	02-Jan-06	2005	1000
BSE POWER	09-Nov-07	03-Jan-05	03-Jan-05	1000
BSE IPO	24-Aug-09	03-May-04	03-May-04	1000
BSE SME IPO	14-Dec-12	16-Aug-12	16-Aug-12	100
BSE REALVOL-1MTH	12-Nov-10	12-Nov-10	-	-
BSE REALVOL-2MTH	12-Nov-10	12-Nov-10	-	-
BSE REALVOL-3MTH	12-Nov-10	12-Nov-10	-	-
BSE REITs and InvITs Index	09-Oct-23	18-Sep-20	18-Sep-20	100
BSE Power & Energy	04-Oct-24	31-Dec-13	31-Dec-13	1000
BSE Focused IT	07-Oct-24	23-June-14	23-June-14	10000
BSE Private Banks	27-Aug-18	16-Sep-05	16-Sep-05	1000
BSE PSU Banks	01-Jan-25	20-June-05	20-June-05	1000
BSE Capital Markets & Insurance	09-Oct-24	18-June-18	18-June-18	1000
BSE Multicap Consumption (50:30:20)	20-Oct-25	19-Dec-05	19-Dec-05	1000
BSE Top 10 Banks	14-Nov-25	20-June-05	20-June-05	1000
BSE 150 Midcap 1X Inverse Daily Index	18-Mar-26	21-Sep-15	21-Sep-15	1000
BSE 200 1X Inverse Daily Index	18-Mar-26	21-Sep-15	21-Sep-15	1000
BSE 500 Long + 150 Midcap 1X Inverse	18-Mar-26	18-Dec-15	18-Dec-15	1000
BSE 500 Long + 200 1X Inverse	18-Mar-26	18-Dec-15	18-Dec-15	1000

[26] The index's historical composition is the same as the composition at launch. Stocks were added to the index at each subsequent rebalancing in March following their IPO.

Index Data

Calculation Return Types – Equity Indices

BSE Index Services Pvt. Ltd. (BISPL) calculates multiple return types which vary based on the treatment of regular cash dividends. The classification of regular cash dividends is determined by BISPL.

- Price Return (PR) versions are calculated without adjustments for regular cash dividends.
- Gross Total Return (TR) versions reinvest regular cash dividends at the close on the ex-date without consideration for withholding taxes.

In the event there are no regular cash dividends on the ex-date, the daily performance of the above two indices will be identical.

For a complete list of indices available, please refer to the daily index levels file (".SDL").

For more information on the calculation of return types, please refer to BISPL Index Mathematics Methodology.

Index Governance

Index Oversight Committee

BSE Index Services Pvt. Ltd.'s Index Oversight Committee oversees the BSE Indices. The Index Oversight Committee meets quarterly. At each meeting, the Index Oversight Committee may review pending corporate actions that may affect index constituents, statistics comparing the composition of the indices to the market, companies that are being considered as candidates for addition to an index, and any significant market events. In addition, the Index Oversight Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

BSE Index Services Pvt. Ltd. considers information about changes to its indices and related matters to be potentially market moving and material. Therefore, all Index Oversight Committee discussions are confidential.

BSE Index Services Pvt. Ltd.'s Index Oversight Committee reserves the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Oversight Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, BISPL may publish a consultation inviting comments from external parties.

For information on Quality Assurance and Internal Reviews of Methodology, please refer to BISPL Equity Index Policy.

Index Policy

Announcements

All index constituents are evaluated daily for data needed to calculate index levels and returns. All events affecting the daily index calculation are typically announced in advance via the Index Corporate Events report (.SDE), delivered daily to all clients. Any unusual treatment of a corporate action or short notice of an event may be communicated via email to clients.

To comply with SEBI regulations for indices with derivative contracts, index composition changes due to scheduled rebalancings are announced four weeks in advance of the rebalancing effective date for the following indices:

- BSE SENSEX
- BSE 100
- BSE SENSEX 50
- BSE SENSEX Next 50
- BSE BANKEX
- BSE Focused IT

Pro-forma Files

In addition to the corporate events file (.SDE), BSE Index Services Pvt. Ltd. provides constituent pro-forma files each time the indices rebalance. The pro-forma file is typically provided daily in advance of the rebalancing date and contains all constituents as well as their corresponding weights and index shares effective for the upcoming rebalancing.

Please visit www.bseindices.com *for a complete schedule of rebalancing timelines and pro-forma delivery times.*

Holiday Schedule

The BSE Indices are calculated on all business days when the BSE is open.

A complete holiday schedule for the year is available on the BSE Ltd. Web site at https://www.bseindia.com.

Special Trading Sessions. The BSE Indices will be calculated on special trading sessions as declared by the BSE Ltd. Some examples include, but are not limited to, special trading sessions on Saturday and Mahurat trading. BSE Index Services Pvt. Ltd. will issue a notice to inform market participants regarding such special trading sessions.

If the special trading session falls on the Saturday following the third Friday of any rebalancing month, the new portfolio will be effective at the discretion of the Index Committee. BSE Index Services Pvt. Ltd. will issue a notice to inform market participants detailing when the new portfolio will become effective.

Rebalancing

The Index Oversight Committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

Unexpected Exchange Closures

For information on Unexpected Exchange Closures, please refer to BISPL Equity Index Policy.

Recalculation Policy

For information on the recalculation policy, please refer to BISPL Equity Index Policy.

Real-Time Calculation

Real-time, intra-day index calculations are executed for certain BSE Indices on the BSE real-time platform, "EPIC". Real-time indices are not restated.

For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to BISPL Equity Index Policy.

End-of-Day Calculation

End of day index calculations are executed on an BISPL proprietary platform.

Contact Information

For questions regarding an index, please contact: bseindex@bseindia.com

Index Dissemination

Index levels are available through BSE Ltd. Web site at www.bseindia.com, BSE Index Services Pvt. Ltd.'s Web site at www.bseindices.com, major quote vendors (see codes below), numerous investment-oriented Web sites, and various print and electronic media.

Tickers

The table below lists headline indices covered by this document. All versions of the below indices that may exist are also covered by this document.

Index Name	Bloomberg		Reuters	
	PR	TR	PR	TR
BSE 500	BSE500	BSE500T	BSE500	BSE500T
BSE 100	BSE100	BSE100T	BSE100	BSE100T
BSE SENSEX 50	BSSNX50	BSSNX50T	SNX50	SNX50T
BSE SENSEX Next 50	BSENX50	BSENX50T	BSN50	BSN50T
BSE 100 LargeCap TMC	BSE100L	BSE100LT	BSE100L	BSE100LT
BSE SENSEX Next 50 TMC	BSN50TM	BSN50TMT	BSN50TM	BSN50TMT
BSE India 150	--	--	--	--
BSE 200	BSE200	BSE200T	BSE200	BSE200T
BSE 200 (AUD)	BSE200A	BSE200AT	BSE200A	BSE200AT
BSE 200 Equal Weight	200EQW	200EQWT	.200EQW	.200EQWT
BSE Diversified Financials Revenue Growth Index (INR)	BSEDFRG	BSEDFRGT	BSEDFRG	BSEDFRGT
BSE SENSEX	SENSEX	SENSEXT	SENSEX	SENSEXT
BSE SENSEX Equal Weight	SENEQW	SENEQWT	.SENEQW	--
BSE SENSEX Next 30	SNXN30P	SNXN30T	.SNXN30	.SNXN30T
BSE SENSEX Sixty	SNSX60P	SNSX60T	.SNSX60	.SNSX60T
BSE SENSEX Sixty 65:35	SS6535	SS6535T	.SS6535	.SS6535T
BSE SENSEX Futures Index	SNXFUTI	SNXFUTIT	SNXFUTI	SNXFUTIT
BSE Arbitrage Rate Index (INR)	BSEARB	--	BSEARB	--
BSE 500 and Arbitrage Rate 50/50 Blend Index (INR)	AR5050B	--	AR5050B	--
BSE SENSEX 2X Leverage Daily Index	SENSEX2L	--	SENSEX2L	--
BSE SENSEX 1X Inverse Daily Index	SENSEX1I	--	SENSEX1I	--
BSE SENSEX 2X Inverse Daily Index	SENSEX2I	--	SENSEX2I	--
BSE CAPITAL GOODS	BSECAP	BSECAPT	BSECAP	BSECAPT
BSE CONSUMER DURABLES	BSECDR	BSECDRT	BSECDR	BSECDRT
BSE METAL	BSEMET	BSEMETT	BSEMET	BSEMETT
BSE OIL & GAS	BSEOIL	BSEOILT	BSEOIL	BSEOILT
BSE AUTO	BSEAUTO	BSEAUTOT	BSEAUTO	BSEAUTOT
BSE BANKEX	BANKEX	BANKEXT	BANKEX	BANKEXT
BSE PSU	BSEPSU	BSEPSUT	BSEPSU	BSEPSUT

Index Name	Bloomberg		Reuters	
	PR	TR	PR	TR
BSE CPSE	BSECPSE	BSECPSET	BSECPSE	BSECPSET
BSE TEC*k*	BSETECK	BSETECKT	BSETECK	BSETECKT
BSE Bharat 22 Index	BSEBH22	BSEBH22T	BSEBH22	BSEBH22T
BSE 150 MidCap	BSMC150	BSMC150T	BSMC150	BSMC150T
BSE Focused MidCap	FOCMID	FOCMIDT	.FOCMID	.FOCMIDT
BSE 250 SmallCap	SML250	SML250T	SML250	SML250T
BSE 250 LargeMidCap	BSLM250	BSLM250T	LM250	LM250T
BSE 250 LargeMidCap 65:35 Index (INR)	LM6535	LM6535T	LM6535	LM6535T
BSE 400 MidSmallCap	BSMS400	BSMS400T	MS400	MS400T
BSE POWER	BSEPOW	BSEPOWT	BSEPOW	BSEPOWT
BSE REALTY	BSEREAL	BSEREALT	BSEREAL	BSEREALT
BSE DOLLEX 200	DOL200	DOL200T	DOL200	DOL200T
BSE DOLLEX 100	DOL100	DOL100T	DOL100	DOL100T
BSE DOLLEX 30	DOLL30	DOLL30T	DOL30	DOL30T
BSE IPO	BSEIPO	BSEIPOT	BSEIPO	BSEIPOT
BSE SME IPO	SMEIPO	SMEIPOT	SMEIPO	SMEIPOT
BSE REITs and InvITs Index	BSEREIT	BSEREITT	BSEREIT	BSEREITT
BSE Power & Energy	POWENE	POWENET	.POWENE	.POWENET
BSE Focused IT	FOCIT	FOCITT	.FOCIT	.FOCITT
BSE Private Banks	BSEPBK	BSEPBKT	BSEPBK	BSEPBKT
BSE PSU Banks	---	---	.PSUBNK	---
BSE Capital Market & Insurance	CAPINS	CAPINST	.CAPINS	.CAPINST
BSE All Derivative Stocks Index	---	---	---	---
BSE 500 Equal Weight	---	---	---	---

Index Data

Daily constituent and index level data are available via subscription.

For product information, please contact bseindex@bseindiacom

Web site

For further information, please refer to BSE Index Services Pvt. Ltd. Web site at www.bseindices.com .

Appendix

Methodology Changes

Methodology changes since January 1, 2015, are as follows:

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
BSE BANKEX	28/MAY/2026	**Constituent Weightings.** The BSE BANKEX employs a float adjusted market capitalization weighting scheme. At each quarterly rebalance, index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following conditions: 1. Individual constituent weight is capped at 20%. 2. Aggregate weight of the top 3 stocks is capped at 45%. 3. Aggregate weight of the top 5 stocks is capped at 60% 4. Any excess weight is distributed proportionally across the remaining stocks in the index. 5. Descending weight structure is maintained from top to bottom	**Constituent Weightings.** The BSE BANKEX employs a float adjusted market capitalization weighting scheme. At each quarterly rebalance, index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following conditions: 1. Individual constituent weight is capped at 19%. 2. Aggregate weight of the top 3 stocks is capped at 43%. 3. Aggregate weight of the top 5 stocks is capped at 60% 4. Any excess weight is distributed proportionally across the remaining stocks in the index. 5. Descending weight structure is maintained from top to bottom
BSE Focused IT	17/APR/2026	**Constituent Weightings.** Index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September and December respectively: 1. Individual constituent weight is capped at 20% 2. Aggregate weight of the top 3 stocks is capped at 45% 3. Aggregate weight of the top 5 stocks is capped at 60% 4. Any excess weight is distributed proportionally across the remaining stocks in the index. 5. Descending weight structure is maintained from top to bottom	**Constituent Weightings.** Index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September and December respectively: 1. Individual constituent weight is capped at 19% 2. Aggregate weight of the top 3 stocks is capped at 43% 3. Aggregate weight of the top 5 stocks is capped at 60% 4. Any excess weight is distributed proportionally across the remaining stocks in the index. 5. Descending weight structure is maintained from top to bottom
BSE SENSEX Inverse Daily Indices	30/MAR/2026	**Daily Index Returns.** The calculation follows the same general approach as the BSE SENSEX 2X Leverage Daily Index with certain adjustments as follows: 1. The return on the underlying index, the BSE SENSEX, is reversed and is based on the total return of the underlying index so that dividends and price movements are included. 2. While the costs of borrowing the securities are not included, there is an adjustment to reflect the interest earned on both the initial investment and the proceeds from selling short the securities in the underlying index. These assumptions reflect normal industry practice.	**Daily Index Returns.** The daily returns of the indices consists of the following 2 components: 1.The return on the underlying index, the BSE SENSEX, is reversed and is based on the total return of the underlying index so that dividends and price movements are included. 2.There is an adjustment to reflect the interest earned on both the initial investment and short sale proceeds, net of cost of borrowing of the underlying securities. The formula for calculating the inverse index return is as follows:

Change	Effective Date (After Close)	Methodology	
		Previous	Updated
		The formula for calculating the inverse index return is as follows: $IIR_t = -K \times \left(\frac{UITR_t}{UITR_{t-1}} - 1\right) + (K+1) \times \left(\frac{LR_{t-1}}{365}\right) \times D_{t,t-1}$	$IIR_t = -K \times \left(\frac{UITR_t}{UITR_{t-1}} - 1\right) + (K+1-1) \times \left(\frac{LR_{t-1}}{365}\right) \times D_{t,t-1}$
BSE REITs and InvITs Index	02/FEB/2026	**Constituent Weightings.** Index constituents are float-adjusted market capitalization weighted, with the following capping rules at each quarter effective at the open of Monday following the third Friday of March, June, September and December. Constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price 1. If the number of stocks within the index is less than or equal to three, the securities in the index are equal weighted. 2. If the number of stocks within the index is four, cap the weight of the securities in the index at 33%. 3. If the number of stocks within the index is greater than or equal to five, then cap the weight of each security in the index at 33% and cap the aggregate weight of the top three securities at 63%.	**Constituent Weightings.** Index constituents are float-adjusted market capitalization weighted, with the following capping rules at each quarter effective at the open of Monday following the third Friday of March, June, September and December. Constituents' index shares are calculated using closing prices on the Monday prior to the second Friday of the rebalancing month as the reference price. The following capping procedure would be followed: 1. Constituents that are classified as REITs at basic industry level should have a minimum aggregate weight of 65%. 2. The weight of each security in the index is capped at 33% and the aggregate weight of the top three securities is capped at 63%. **Fast-Tracked IPOs**: To allow for the immediate inclusion or "fast track" of significantly sized IPOs (classified as Real Estate Investment Trusts (REITs) or Infrastructure Investment Trusts (InvITs)) in the BSE REITs and InvITs Index, companies must satisfy the following criteria to be considered for inclusion: 1. Stocks should have a trading frequency of more than 80% during the reference period 2. Stocks should have a float-adjusted market capitalization of more than INR 100 crores Any company getting listed between the Monday following 3rd Friday of T-2 month until the 3rd Friday of T-1 month (where T is the current month) would be checked for eligibility. All the data points considered would be for the period of one month ending 3rd Friday of current month. Companies meeting all the criteria are added to the index at the market open on the Tuesday following the first Monday of each month. Constituents' index shares are calculated using closing prices of Monday of last week of the current month as the reference price.
BSE BANKEX	24/DEC/2025	Buffers. A buffer of 2% both for inclusion and exclusion in the index is considered to minimize the turnover. For example, a non-constituent is included in the index only if it falls within 88% coverage and an existing index constituent is not excluded unless it falls above 92% coverage. However, the buffer criterion is applied only after the minimum 90% float-adjusted market capitalization coverage is	Buffers. A buffer of 2% both for inclusion and exclusion in the index is considered to minimize the turnover. For example, a non-constituent is included in the index only if it falls within 88% coverage and an existing index constituent is not excluded unless it falls above 92% coverage. However, the buffer criterion is applied only after the minimum 90% float-adjusted market capitalization coverage is

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
		satisfied. To maintain a minimum count of 10 in the index, constituents are retained, and non-constituents are included based on their average float-adjusted market capitalization rank. **Constituent Weightings.** The BSE BANKEX employs a non-market capitalization weighting scheme. At each quarterly share update, index constituents are weighted based on float-adjusted market capitalization, subject to a 22% weight cap. Any excess weight is distributed proportionally across the remaining stocks in the index.	satisfied. To maintain a minimum count of 14 in the index, constituents are retained, and non-constituents are included based on their average float-adjusted market capitalization rank. Preference would be given to derivative stocks. **Constituent Weightings.** The BSE BANKEX employs a float adjusted market capitalization weighting scheme. At each quarterly rebalance, index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following conditions: 1. Individual constituent weight is capped at 20% 2. Aggregate weight of the top 3 stocks is capped at 45% 3. Aggregate weight of the top 5 stocks is capped at 60% 4. Any excess weight is distributed proportionally across the remaining stocks in the index. 5. Descending weight structure is maintained from top to bottom
BSE Focused IT	19/DEC/2025	**Index Construction.** 1. All companies part of the BSE 500 in the 'Information Technology' Sector are selected as universe for the index. 2. The top 7 companies (with derivative linkage) are selected for index inclusion, whether a current constituent or not. 3. Existing constituents (with derivative linkage) ranked 8 – 12 are selected in order of highest rank until the target constituent count of 10 is reached. In case this count is not reached, existing constituents (without derivative linkage) ranked 8 – 12 are selected in order of highest rank. 4. If after this step the target constituent count is still not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached (stocks with derivative linkage would be preferred). 5. The following derivative market linkage constraints are also taken into account: a. The individual float-adjusted weight of any share class of a company that is not linked to derivatives trading cannot exceed 5% of the index. b. The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%. **Constituent Weightings.** Index constituents are weighted based on their float-adjusted market capitalization, subject to the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September, and December, respectively. 1. Single constituent weights are capped at 33%.	**Index Construction**: 1. All companies part of the BSE 500 in the 'Information Technology' Sector are selected as universe for the index. 2. The top 11 companies (with derivative linkage) are selected for index inclusion, whether a current constituent or not. 3. Existing constituents with derivative linkage, ranked from 12- 17 are retained in order of highest rank until the target constituent count of 14 is reached. 4. If after this step the target constituent count is still not achieved, then non-constituents are selected in order of highest rank until the target constituent count is reached (stocks with derivative linkage would be preferred). 5. The following derivative market linkage constraints will also be considered: a. The individual float-adjusted weight of any share class of a company that is not linked to derivatives trading cannot exceed 5% of the index. b. The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%. **Constituent Weightings:** Index constituents are weighted based on float-adjusted market capitalization, subject to meeting the following capping constraints which are applied quarterly, effective as of market open on the Monday following the third Friday of March, June, September and December respectively: 1. Individual constituent weight is capped at 20% 2. Aggregate weight of the top 3 stocks is capped at 45%

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
		2. The aggregate weight of the top three index constituents shall not be more than 63% of the index. If the above constraints are breached, any excess weight is proportionately redistributed to all uncapped stocks. As part of the redistribution, the ranking of stocks based on final weights will remain in line with their rankings based on free-float market capitalization.	3. Aggregate weight of the top 5 stocks is capped at 60% 4. Any excess weight is distributed proportionally across the remaining stocks in the index. 5. Descending weight structure is maintained from top to bottom
BSE 500	19/DEC/2025	Constituent Selection: 1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion. a. Have an annualized traded value greater than or equal to INR 100 crores. Current index constituents with an annualized traded value of at least INR 80 crores remain eligible for index inclusion provided they meet the other eligibility criteria. b. Stocks must have traded for at least 80% of the trading days at BSE during the six-month reference period. Eligible Universe: The Index is derived from the constituents of the BSE AllCap Index.	Constituent Selection: 1. At each semi-annual rebalancing, eligible companies must satisfy all of the following in order to be considered for index inclusion: A. Stocks must rank in the top 750 in the eligible universe based on annualized traded value. B. Stocks must rank in the top 750 in the eligible universe based on 6 months average free float market capitalization. The index aims to have a company count of 500 at each rebalancing. If a shortfall occurs, point B would be relaxed in increments of 100 until a target count of eligible universe is reached. C. Stocks must have traded for at least 80% of the trading days at BSE during the six-month reference period. Eligible Universe: The Index is derived from the constituents of the BSE 1000 Index.
BSE SENSEX Futures Index- Future Roll	25/SEPT/2025	The near-month futures contract expires on the last Tuesday of each month. In case the last Tuesday is a holiday, it expires on the immediately preceding business day.	The near-month futures contract expires on the last Thursday of each month. In case the last Thursday is a holiday, it expires on the immediately preceding business day.
BSE Arbitrage Rate Index- Rebalancing	25/SEPT/2025	The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Tuesday of each month. If the last Tuesday is a holiday, the contract expires on the immediately preceding business day.	The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Thursday of each month. If the last Thursday is a holiday, the contract expires on the immediately preceding business day.
BSE Realized Volatility Indices- Index calculation	25/SEPT/2025	The formula is used to calculate the value of the index on the nth day of the underlying option expiration cycle. At BSE, the options expire on the last Tueday of the month	The formula is used to calculate the value of the index on the nth day of the underlying option expiration cycle. At BSE, the options expire on the last Thursday of the month
BSE Auto BSE Capital Goods BSE Consumer Durables BSE Metal BSE Tec*k* BSE Oil & Gas BSE Realty	20/JUNE/2025	Stock selection criteria for each of the Sector Indices is based on 2 level sector classification	Stock selection criteria for each of the Sector Indices will be based on eligible basic industries as per the Common India Industry Classification Structure
BSE SENSEX Futures Index- Future Roll	01/JAN/2025	The near-month futures contract expires on the last Friday of each month. In case the last Friday is a holiday, it expires on the immediately preceding business day.	The near-month futures contract expires on the last Tuesday of each month. In case the last Tuesday is a holiday, it expires on the immediately preceding business day.
BSE Arbitrage Rate Index- Rebalancing	01/JAN/2025	The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Friday of each month.	The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Tuesday of each

<table>
<tr><th rowspan="2">Change</th><th rowspan="2">Effective Date (After Close)</th><th colspan="2">Methodology</th></tr>
<tr><th>Previous</th><th>Updated</th></tr>
<tr><td></td><td></td><td>If the last Friday is a holiday, the contract expires on the immediately preceding business day.</td><td>month. If the last Tuesday is a holiday, the contract expires on the immediately preceding business day.</td></tr>
<tr><td>BSE Realized Volatility Indices- Index calculation</td><td>01/JAN/2025</td><td>The formula is used to calculate the value of the index on the nth day of the underlying option expiration cycle. At BSE, the options expire on the last Friday of the month</td><td>The formula is used to calculate the value of the index on the nth day of the underlying option expiration cycle. At BSE, the options expire on the last Tueday of the month</td></tr>
<tr><td>BSE SENSEX Futures Index- Future Roll</td><td>05/23/2023</td><td>The near-month futures contract expires on the last Thursday of each month. In case the last Thursday is a holiday, it expires on the immediately preceding business day.</td><td>The near-month futures contract expires on the last Friday of each month. In case the last Friday is a holiday, it expires on the immediately preceding business day.</td></tr>
<tr><td>BSE Arbitrage Rate Index- Rebalancing</td><td>05/24/2023</td><td>The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Thursday of each month. If the last Thursday is a holiday, the contract expires on the immediately preceding business day.</td><td>The index is rebalanced monthly, effective after the close one business day prior to the expiration of the futures contract. The near-month futures contract expires on the last Friday of each month. If the last Friday is a holiday, the contract expires on the immediately preceding business day.</td></tr>
<tr><td>BSE Realized Volatility Indices- Index calculation</td><td>05/26/2023</td><td>The formula for realized volatility uses continuously compounded daily returns assuming a mean daily price return of zero. The summation of the squared daily returns is annualized, assuming 252 business days per year.

The formula is used to calculate the value of the index on the nth day of the underlying option expiration cycle. At BSE, the options expire on the last Thursday of the month</td><td>The formula for realized volatility uses continuously compounded daily returns assuming a mean daily price return of zero. The summation of the squared daily returns is annualized, assuming 252 business days per year.

The formula is used to calculate the value of the index on the nth day of the underlying option expiration cycle. At BSE, the options expire on the last Friday of the month</td></tr>
<tr><td>BSE Power</td><td>03/17/2023</td><td>Stocks classified as Heavy Electrical Equipment, Electric Utilities, and Power – Transmission under the India Industry Classification Structure Basic Industries form the eligible universe.</td><td>Stocks classified as Heavy Electrical Equipment, Power Generation, Integrated Power Utilities and Power - Transmission under the India Industry Classification Structure Basic Industries form the eligible universe.</td></tr>
<tr><td>BSE SENSEX:

Eligible Universe</td><td>12/16/2022</td><td>--</td><td>All stocks must have a derivative contract</td></tr>
<tr><td>BSE SENSEX Next 50:

Constituent Selection</td><td>12/16/2022</td><td>All companies part of the BSE 100 that are not part of the BSE SENSEX 50 are selected and form the index, subject to the following derivative market linkage constraints:
• The individual float-adjusted weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.
• The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%.

If any of the above derivative market linkage constraints are violated, the lowest-ranked company not linked to derivatives trading is removed and replaced with the highest-ranked eligible company linked to derivatives trading. This process is repeated until the aggregate weight of the index constituents not linked to derivatives trading no longer violates the constraints outlined above.</td><td>All companies part of the BSE 100 that are not part of the BSE SENSEX 50 are selected and form the index, subject to the following derivative market linkage constraints:
• The individual float-adjusted weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index.
• The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 20%.

If either of the above constraints are violated, the following relaxation steps are applied:
1. If the individual float-adjusted weight of any share class of a company not linked to derivatives trading exceeds 5%, the stock is not considered for selection and the next best eligible stock, based on six-month average daily float-adjusted market capitalization, is selected in the BSE SENSEX Next 50</td></tr>
</table>

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
			and consequentially in the BSE 100. 2. If after step 1 the aggregate float-adjusted weight of constituents not linked to derivatives trading exceeds 20%, the lowest-ranked company not linked to derivatives trading is removed and replaced with the highest-ranked eligible company linked to derivatives trading in the BSE SENSEX Next 50 and consequentially in the BSE 100. This process repeats until the aggregate weight of the constituents not linked to derivatives trading does not violate the above constraints. 3. Steps 1 and 2 repeat iteratively to ensure both constraints are met. Any stock excluded due to the derivative market linkage and relaxation rules is only considered for selection at the rebalancing if the stock has derivative contracts.
BSE Bharat 22: Constituent Weightings	03/17/2023	Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 15% and an individual BSE sector weight cap of 20%.	Index constituents are weighted by their float-adjusted market capitalization, subject to an individual stock weight cap of 15% and a common India Industry Classification Structure macro-economic indicator weight capped of 20%.
BSE SENSEX: Index Construction (Step 5.c)	12/16/2022	If after this step the target constituent count is not achieved, then non-constituents ranked 22 – 30 are selected by giving preference to those companies whose BSE sector is underrepresented in the index as compared to the sector representation in the BSE AllCap.	c. If after this step the target constituent count is not achieved, then non-constituents ranked 22 – 30 are selected by giving preference to those companies whose common India Industry Classification Structure macro-economic indicator is underrepresented in the index as compared to the macro-economic indicator representation in the BSE AllCap.
BSE BANKEX	06/17/2022	Stocks classified as Banks under the BSE Industry Sub-Group form the eligible universe.	Stocks classified as Banks industry under the common India Industry Classification Structure form the eligible universe.
BSE REALTY	06/17/2022	Stocks classified as Realty under the BSE Industry Sub-Group form the eligible universe.	Stocks classified as Realty industry under the common India Industry Classification Structure form the eligible universe.
BSE POWER	06/17/2022	Stocks classified as Heavy Electrical Equipment and Electric Utilities under the BSE Industry Sub-Group form the eligible universe.	Stocks classified as Heavy Electrical Equipment, Electric Utilities, and Power - Transmission basic industries under the common India Industry Classification Structure form the eligible universe.
BSE SENSEX, BSE SENSEX Next 50, BSE Bharat 22 Index, BSE 500, and BSE 100: Regulatory Review	06/21/2019	--	In addition to the index construction and constituent weighting rules employed by each index, the indices are checked for consistency with the four SEBI norms on a quarterly basis. If the norms are found not to have been adhered to during the period under review, the index committee, at its discretion and on a case-by-case basis, will take appropriate measures to ensure compliance with the SEBI norms. Any changes resulting from the regulatory review will take effect at the open of the Monday following the third Friday of March, June, September, and December.

Change	Effective Date (After Close)	Methodology	
		Previous	Updated
BSE SENSEX 50 TMC and BSE SENSEX Next 50 TMC: Eligible Universe	12/21/2018	The indices are derived from constituents of the BSE 500.	The indices are derived from constituents of the BSE 100 LargeCap TMC.
BSE 150 MidCap: Index Construction	12/21/2018	All the companies in the BSE 500 that are not part of the BSE 100 are ranked based on average six month daily total market capitalization.	All the companies in the BSE 500 that are not part of the BSE 100 LargeCap TMC are ranked based on average six month daily total market capitalization.
BSE 250 SmallCap: Index Construction	12/21/2018	All constituents of the BSE 500 that are not members of the BSE 100 and BSE 150 Midcap are selected and form the index.	All constituents of the BSE 500 that are not members of the BSE 100 LargeCap TMC and BSE 150 Midcap are selected and form the index.
BSE 250 LargeMidCap and BSE 250 LargeMidCap 65:35: Index Construction	12/21/2018	All constituents of the BSE 100 and BSE 150 Midcap together form the index.	All constituents of the BSE 100 LargeCap TMC and BSE 150 Midcap together form the index.
BSE 400 MidSmallCap: Index Construction	12/21/2018	All constituents of the BSE 500 that are not members of the BSE 100 form the index.	All constituents of the BSE 500 that are not members of the BSE 100 LargeCap TMC form the index.
BSE CPSE: Eligible Universe	12/21/2018	--	Companies that are part of the GSM list on the rebalancing reference date are not eligible for index inclusion.
BSE SENSEX: Index Eligibility	12/21/2018	Eligible companies must have reported revenue in the last four quarters.	--
BSE SENSEX: Index Construction and Industry/Sector Representation	12/21/2018	1. All companies meeting the eligibility factors are ranked based on their average six-month float-adjusted market capitalization. The top 75 are identified. 2. All companies meeting the eligibility factors are ranked again based on their average six-month total market capitalization. The top 75 are identified. 3. All companies identified based on steps 1 and 2 are then combined and sorted based on their average six-month value traded. Companies with a cumulative value traded greater than 98% are excluded. 4. The remaining companies are then sorted by average six-month float-adjusted market capitalization. Companies with a weight of less than 0.5% are excluded. 5. All remaining companies are classified by sector and then sorted in descending order of rank by average six-month float-adjusted market capitalization. These companies make up the replacement pool, to be included in the index if an existing constituent is removed. 6. An index addition generally is made only if a vacancy is created by an index deletion. Index additions are made according to size and liquidity, while generally attempting to maintain index sector weights that are broadly in-line with the overall market. All additions and deletions are made at the discretion of index committee.	1. All companies meeting the eligibility factors are ranked based on their average six-month float-adjusted market capitalization. The top 75 are identified. 2. All companies meeting the eligibility factors are ranked again based on their average six-month total market capitalization. The top 75 are identified. 3. All companies identified based on steps 1 and 2 are then combined and sorted based on their annualized traded value. Companies with a cumulative annualized traded value greater than 98% are excluded. 4. The remaining companies are then sorted by average six-month float-adjusted market capitalization. Companies with a weight of less than 0.5% are excluded. 5. The remaining companies from step 4 are then ranked based on their average six-month float-adjusted market capitalization, and are selected for index inclusion according to the following rules: a. The top 21 companies (whether a current index constituent or not) are selected for index inclusion with no sector consideration. b. Existing constituents ranked 22 – 39 are selected in order of highest rank until the target constituent count of 30 is reached. c. If after this step the target constituent count is not achieved, then non-constituents ranked 22 – 30 are selected by giving preference to those companies whose sector is underrepresented in the index as compared to the sector representation in the BSE AllCap.

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
			d. If after this step, the target constituent count is still not achieved, non-constituents are selected in order of highest rank until the target constituent count is reached. All additions and deletions are made at the discretion of index committee.
All Indices: Deletion	09/21/2018	--	On a monthly basis, companies added to the GSM list are dropped. The effective date of the drop is at the open of the Tuesday following the first Monday of each month. The reference date for the GSM list data is the third Friday of the previous month. Any company dropped due to its inclusion on the GSM list must remain off the GSM list for six consecutive months prior to the rebalancing reference date in order to be reconsidered for index inclusion.
BSE 500: Index Construction	06/15/2018	• Companies meeting the eligibility factors are ranked based on their average six-month total market capitalization, average six-month float-adjusted market capitalization, and average six-month value traded. • Rank Full is determined by assigning a 75% weight to the average six-month total market capitalization rank and a 25% weight to the average six-month value traded rank. • Rank Free is determined by assigning a 75% weight to the average six-month float-adjusted market capitalization rank and a 25% weight to the average six-month value traded rank. • For all companies, Rank Full and Rank Free are added and a Combined Final Rank is determined based on this number. • If an existing constituent has Rank Full and Rank Free greater than 550, it is excluded from the index. • Non-constituents with a Rank Full and Rank Free less than 500 are identified and sorted based on Combined Final Rank. These are included in the index based on the best Combined Final Rank. • In order to then achieve the target constituent count, stocks are assessed based on their ranks and selected accordingly.	• At each semi-annual rebalancing, eligible companies must have an annualized traded value greater than or equal to INR 1 billion. Current index constituents with an annualized traded value of at least INR 800 million remain eligible for index inclusion provided they meet the other eligibility criteria. • Companies satisfying the above criteria are then ranked by their average six-month total market capitalization. • The top 400 companies are added to the index. • Current constituents ranked 401-600 are added to the index in order of highest rank until the constituent count reaches 500 companies. • If the target constituent count of 500 companies is still not met, non-constituents are added to the index in order of highest rank until the target constituent count is met.
BSE Sector Indices: Index Construction	06/15/2018	• Eligible stocks are selected based on their Rank Free order, as determined according to the BSE 500 methodology, until a minimum market coverage of 90% of the average float-adjusted market capitalization per sector is achieved. • To maintain a minimum count of 10 in the index, constituents are retained, and non-constituents are included based on their Rank Free order with a 2% buffer, as determined according to the BSE 500 methodology.	• Eligible stocks are selected based on their average float-adjusted market capitalization rank, until a minimum market coverage of 90% of the average float-adjusted market capitalization per sector is achieved. • To maintain a minimum count of 10 in the index, constituents are retained, and non-constituents are included based on their average float-adjusted market capitalization rank with a 2% buffer.
BSE 100: Listing History	06/15/2018	Stocks must have a listing history of six months at BSE in order to be eligible for the index.	--

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
BSE 500 and BSE 200: Multiple Share Classes	06/15/2018	Differential Voting Rights Shares (DVRs) are eligible for inclusion in the index provided that the ordinary share class is part of the index, and the DVR shares outstanding are greater than 10% of the ordinary shares outstanding. In addition, the DVRs must individually satisfy all other index eligibility criteria. DVRs satisfying the index eligibility criteria are aggregated with the company's common stock and index construction is done based on the aggregated company data.	Differential Voting Rights Shares (DVRs) are eligible for inclusion in the index provided that the ordinary share class is part of the index, and the DVR shares outstanding are greater than 10% of the ordinary shares outstanding. In addition, the DVRs must individually pass the liquidity criteria to be eligible for the index.
BSE 200: Index Construction	06/15/2018	• Companies meeting the eligibility factors are ranked based on their average six-month total market capitalization, average six-month float-adjusted market capitalization, and average six-month value traded. • Rank Full is determined by assigning a 75% weight to the average six-month total market capitalization rank and a 25% weight to the average six-month value traded rank. • Rank Free is determined by assigning a 75% weight to the average six-month float-adjusted market capitalization rank and a 25% weight to the average six-month value traded rank. • For all companies, Rank Full and Rank Free are added and a Combined Final Rank is determined based on this number. • If an existing constituent has Rank Full and Rank Free greater than 220, it is excluded from the index. • Non-constituents with Rank Full and Rank Free less than 200 are identified and sorted on Combined Final Rank. These are included in the index based on the best Combined Final Rank. • In order to achieve the target constituent count, stocks are assessed based on their ranks and selected accordingly.	• At each semi-annual rebalancing, eligible companies must have an annualized traded value of at least INR 5 billion. Current index constituents with an annualized traded value of at least INR 4 billion remain eligible for index inclusion provided they meet the other eligibility criteria. • Companies satisfying the above criteria are then ranked by their average six-month total market capitalization. • The top 160 companies are added to the index. • Current constituents ranked 161-240 are added to the index in order of highest rank until the constituent count reaches 200 companies. • If the target constituent count of 200 companies is still not met, non-constituents are added to the index in order of highest rank until the target constituent count is met.
BSE 500: Eligible Universe	12/15/2017	All common equities listed at BSE Ltd., (excluding companies classified in Z group, suspended companies, companies objected by the Surveillance Department of BSE Ltd., and those that are traded under a permitted category and on the SME platform) are considered eligible.	The constituents of the BSE AllCap.
BSE SENSEX, BSE 200, and BSE 500: Differential Voting Right Shares (DVRs) inclusion	06/16/2017	DVRs are eligible for index inclusion provided that the ordinary share class is part of the index, and the DVR shares outstanding are greater than 10% of the ordinary shares outstanding. In addition, the DVRs must individually satisfy all other index eligibility and construction criteria.	DVRs are eligible for index inclusion provided that the ordinary share class is part of the index, and the DVR shares outstanding are greater than 10% of the ordinary shares outstanding. In addition, the DVRs must individually satisfy all other index eligibility criteria. DVRs satisfying the index eligibility criteria are aggregated with the company's common stock and index construction is done based on the aggregated company data.
BSE BANKEX and BSE OIL & GAS: Constituent Weightings	06/16/2017	At each semi-annual rebalancing, index constituents are weighted based on float-adjusted market capitalization, subject to a 22% and 20% weight cap, respectively. Any excess weight is distributed proportionally across the remaining stocks in the index.	At each quarterly share update, index constituents are weighted based on float-adjusted market capitalization, subject to a 22% and 20% weight cap, respectively. Any excess weight is distributed proportionally across the remaining stocks in the index.

Change	Effective Date (After Close)	Methodology Previous	Updated
BSE SENSEX 50: Derivative Market Linkage	06/16/2017	As part of the constituent selection process, the following constraints are taken into account: 1. The individual float-adjusted weight of any share class of a company not linked to derivatives trading cannot exceed 5% of the index. 2. The aggregate float-adjusted weight of the index constituents not linked to derivatives trading cannot exceed 10%.	All constituents must have a derivative contract to be eligible for index inclusion.
BSE 100: Eligible Universe	06/16/2017	All common equities listed at BSE Ltd. (excluding companies classified in Z group, listed mutual funds, companies suspended on the last day of the month prior to review date, companies objected by the Surveillance department of BSE Ltd. and those that are traded under a permitted category and SME category) are considered eligible.	The constituents of the BSE LargeMidCap.
BSE 100: Index Construction/ Constituent Selection	06/16/2017	1. All eligible stocks must have traded for at least 95% of the trading days at BSE during the six-month reference period. 2. All stocks meeting the eligibility factors are ranked based on their average six-month float-adjusted market capitalization, average six-month value traded and average six-month impact cost. 3. The liquidity rank is computed by assigning a 75% weight to the average value traded rank and a 25% weight to the average impact cost rank. 4. The final rank is determined by assigning a 75% weight to the average float-adjusted market capitalization rank and a 25% weight to the liquidity rank. 5. These stocks are then sorted based on the final rank. Any existing constituent ranking beyond 200, based on final rank, is excluded.	1. At each semi-annual rebalancing, eligible stocks must satisfy all of the following in order to be considered for index inclusion: a. Have an annualized traded value greater than or equal to INR 10 billion. Current index constituents with an annualized traded value of at least INR 8 billion remain eligible for index inclusion provided they meet the other eligibility criteria. b. Have no more than five non-trading days in the past six months as of the rebalancing reference date. 2. The remaining companies after Step 1 are then ranked based on average daily float-adjusted market capitalization. The Top 80 companies are selected for index inclusion. Existing constituents ranked 81-120 are selected in order of highest rank until the target constituent of 100 is reached. If after this step the target constituent count is not achieved, non-constituents are selected in order of highest rank until the target constituent count if reached.
BSE 100: Listing History	06/16/2017	Stocks must have a listing history of at least three months at BSE, with the following exceptions: • Large sized initial public offerings (IPOs) are only required to have a listing history of one month. • Listings due to mergers, demergers or amalgamations do not have a minimum listing history requirement.	Companies must have a listing history of at least six months at BSE. Large sized IPOs are an exception and only require a listing history of one month.
BSE 100: Differential Voting Rights (DVRs)	06/16/2017	DVRs are eligible provided that the ordinary share class is part of the index, and the DVR shares outstanding are	DVRs are eligible provided that the ordinary share class is part of the index. In addition, the DVR must meet the index's

Change	Effective Date (After Close)	Methodology Previous	Updated
		greater than 10% of the ordinary shares outstanding. Additionally, the DVR must meet the index's eligibility and index construction rules.	liquidity criteria as detailed in the index construction process.
BSE SENSEX, BSE 100, BSE 200, BSE 500 and BSE Sector Indices: Reference Period	12/19/2016	Data collected and used in the rebalancing is based on a three-month reference period.	Data collected and used in the rebalancing is based on a six-month reference period.
BSE Sector Indices: Sector Changes	12/19/2016	If the sector classification of a company changes between rebalancings, the change is accounted for at the semi-annual rebalancing. Changes take effect at the open of the Monday following the third Friday of June and December.	If the sector classification of a company changes between rebalancings, the change is accounted for at the quarterly share update. Changes take effect at the open of the Monday following the third Friday of March, June, September, and December.
BSE 200: Eligible Universe	12/19/2016	All common equities listed at BSE Ltd. (excluding companies classified in Z group, listed mutual funds, companies suspended on the last day of the month prior to review date, companies objected by the Surveillance Department of BSE Ltd. and those that are traded under a permitted category and SME category) are considered eligible.	The index is derived from the constituents of the BSE 500.
BSE 500: Listing History	12/19/2016	Companies must have a listing history of at least three months at BSE.	Companies must have a listing history of at least three months at BSE. IPOs are eligible if they have a listing history of at least one month.
BSE 500: Trading Days	12/19/2016	The company must have traded for at least 75% of the trading days at BSE during the three-month reference period.	The company must have traded for at least 80% of the trading days at BSE during the six-month reference period.
BSE PSU: Weighing Scheme	12/19/2016	Every company is weighted within the index based on its total market capitalization.	Every company is weighted within the index based on its float-adjusted market capitalization.
BSE IPO: Index Construction	12/19/2016	A company is excluded from the index at the open of the Monday following the third Friday of the month after the completion of two years of listing.	A company is excluded from the index at the open of the Monday following the third Friday of the month after the completion of one year of listing.
BSE SME IPO: Index Construction	12/19/2016	A company is excluded from the index at the open of the Monday following the third Friday of the month after completion of three years of listing on the BSE SME Platform.	A company is excluded from the index at the open of the Monday following the third Friday of the month after completion of one year of listing on the BSE SME Platform.
BSE SENSEX: Eligible Universe	06/17/2016	All common equities listed at BSE Ltd. (excluding companies classified in Z group, listed mutual funds, companies suspended on the last day of the month prior to review date, companies objected by the Surveillance Department of BSE Ltd. and those that are traded under a permitted category and SME category) are considered eligible.	The index is derived from the constituents of the BSE 100.
BSE SENSEX, BSE 100, BSE 200, and BSE 500: Eligibility of Differential Voting Right Shares (DVRs)	06/19/2015	Differential Voting Right Shares (DVRs) are not eligible for index inclusion.	Differential Voting Right Shares (DVRs) are eligible provided that the ordinary share class is part of the index, and the DVR shares outstanding are greater than 10% of the ordinary shares outstanding.
BSE SENSEX Futures Index: Day Count Convention	04/15/2015	The risk-free rate calculation is based on a 360-day year convention.	The risk-free rate calculation is based on a 365-day year convention.
BSE OIL & GAS: Weighting Scheme	04/01/2015	The index employs a float-adjusted market capitalization weighting scheme.	The index employs a non-market capitalization weighting scheme.
BSE BANKEX: Weighting Scheme	01/23/2015	The index employs a float-adjusted market capitalization weighting scheme.	The index employs a non-market capitalization weighting scheme.

Appendix-Table 1

BSE Auto
Auto Components & Equipments
Passenger Cars & Utility Vehicles
Tyres & Rubber Products
2/3 Wheelers
Commercial Vehicles
Tractors
Auto -Dealer
BSE Capital Goods
Heavy Electrical Equipment
Construction Vehicles
Aerospace & Defence
Other Industrial Products
Packaging
Cables - Electricals
Industrial Products
Compressors & Pumps & Diesel Engines
Plastic Products - Industrial
Rubber
Abrasives & Bearings
Glass - Industrial
Other Electrical Equipment
Electrodes & Refractories
Castings & Forgings
Aluminium & Copper & Zinc Products
Railway Wagons
Ship Building & Allied Services
BSE Consumer Durables
Household Appliances
Footwear
Gems & Jewellery and Watches
Paints
Ceramics
Furniture & Home Furnishing
Plastic Products - Consumer
Houseware
Consumer Electronics
Leather And Leather Products

Plywood Boards/ Laminates
Glass - Consumer
Sanitary Ware
Granites & Marbles
BSE Metal
Iron & Steel
Zinc
Pig Iron
Diversified Metals
Aluminium
Precious Metals
Sponge Iron
Trading - Minerals
Copper
Industrial Minerals
Ferro & Silica Manganese
Iron & Steel Products
BSE Tec*k*
Sector: Information Technology
Computers - Software & Consulting
IT Enabled Services
Computers Hardware & Equipments
Software Products
Sector: Media, Entertainment & Publication
TV Broadcasting & Software Production
Printing & Publication
Media & Entertainment
Film Production, Distribution & Exhibition
Print Media
Digital Entertainment
Advertising & Media Agencies
Sector: Telecommunication
Telecom - Cellular & Fixed line services
Telecom - Infrastructure
Telecom - Equipment & Accessories
Other Telecom Services
BSE Oil and Gas
Trading – Gas
Refineries & Marketing

Oil Storage & Transportation
Oil Exploration & Production
Lubricants
Offshore Support Solution Drilling
LPG/CNG/PNG/LNG Supplier
Gas Transmission/Marketing
Oil Equipment & Services
BSE Realty
Residential & Commercial Projects

Appendix II – Sales Per Share Growth

- A company's fiscal Sales per share (SPS) growth is defined as the Average of SPS Growth over the past three years where SPS growth is calculated as $\{SPS_t/SPS_{t-1} – 1\}$.[27]
- When SPS for prior three years are not available then Average of Two-Year SPS Growth Rate is used. When SPS for the prior two years are not available then One-Year SPS Growth Rate is used.
- In the scenario that a company migrates from Indian Generally Accepted Accounting Principles (GAAP) to Indian Accounting Standard (Ind AS), the sales growth calculation will factor in adjusted numbers for the year of migration.

[27] Sales Growth data is lagged by three months (for example – for the April 2017 rebalancing reference date, each company's fiscal sales growth data available as of the end of January 2017 is considered).

Disclaimer

The BSE Indices are published by BSE Index Services Pvt. Ltd. (“BISPL”) (formerly Asia Index Pvt. Ltd.), which is a wholly owned subsidiary of BSE Limited (“BSE”). BSE® and SENSEX® are registered trademarks of BSE. The trademarks have been licensed to BISPL and have been sublicensed for use for certain purposes by Licensee. Licensee’s Product (the “Product”) is/are not sponsored, endorsed, sold or promoted by BISPL or BSE. None of BISPL or BSE makes any representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product particularly or the ability of the Index to track general market performance. BISPL’s and BSE’s only relationship to Licensee with respect to the Index is the licensing of the Index and certain trademarks, service marks and/or trade names of BISPL, BSE and/or their licensors. The BSE Indices are determined, composed and calculated by BISPL or its agent without regard to Licensee or the Product. None of BISPL or BSE are responsible for and have not participated in the determination of the prices, and amount of the Product or the timing of the issuance or sale of the Product or in the determination or calculation of the equation by which the Product is to be converted into cash, surrendered or redeemed, as the case may be. BISPL and BSE have no obligation or liability in connection with the administration, marketing or trading of the Product. There is no assurance that investment products based on the Index will accurately track index performance or provide positive investment returns. BISPL and BSE are not investment advisors. Inclusion of a security within an index is not a recommendation by BISPL or BSE to buy, sell, or hold such security, nor is it considered to be investment advice.

BISPL, BSE AND THEIR THIRD PARTY LICENSORS DO NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA RELATED THERETO. BISPL, BSE AND THEIR THIRD PARTY LICENSORS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. BISPL, BSE AND THEIR THIRD PARTY LICENSORS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE PRODUCT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL BISPL, BSE OR THEIR THIRD PARTY LICENSORS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBLITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN BISPL AND LICENSEE, OTHER THAN THE LICENSORS OF BISPL (INCLUDING BSE).