BSE INDEX SERVICES PVT. LTD.

A wholly owned subsidiary of BSE

BSE Large, Mid & Small Cap Factor Indices
Methodology

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March 2026

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Index Objective and Highlights

A. **The BSE 100 LargeCap TMC Universe Factor Indices are constructed from the constituents of BSE 100 LargeCap TMC and consist of the following indices**:

BSE LargeCap 100 Enhanced Value 30 Index. The index measures the performance of the 30 companies in BSE 100 LargeCap TMC with the most attractive valuations, based on their value scores (*see Appendix **A***).

BSE LargeCap 100 Low Volatility 30 Index. The index measures the performance of the 30 least volatile companies in BSE 100 LargeCap TMC (*see Appendix **B***).

BSE LargeCap 100 Momentum 30 Index. The index measures the performance of the 30 companies in BSE 100 LargeCap TMC that exhibit the most persistence in their relative performance, based on their momentum scores (*see Appendix **C***).

BSE LargeCap 100 Quality 30 Index. The index measures the performance of the 30 highest quality companies in BSE 100 LargeCap TMC, based on their quality scores (*see Appendix **D***).

B. **The BSE 150 MidCap Universe Factor Indices are constructed from the constituents of BSE 150 MidCap Index and consist of the following indices**:

BSE MidCap 150 Enhanced Value 30 Index. The index measures the performance of the 30 companies in BSE 150 MidCap Index with the most attractive valuations, based on their value scores (*see Appendix **A***).

BSE MidCap 150 Low Volatility 30 Index. The index measures the performance of the 30 least volatile companies in BSE 150 MidCap Index (*see Appendix **B***).

BSE MidCap 150 Momentum 30 Index. The index measures the performance of the 30 companies in BSE 150 MidCap Index that exhibit the most persistence in their relative performance, based on their momentum scores (*see Appendix **C***).

BSE MidCap 150 Quality 30 Index. The index measures the performance of the 30 highest quality companies in BSE 150 MidCap Index, based on their quality scores (*see Appendix **D***).

C. **The BSE Smallcap 500 Universe Factor Indices are constructed from the constituents of BSE Smallcap 500 Index and consist of the following indices**:

BSE Smallcap 500 Enhanced Value 50 Index. The index measures the performance of the 50 companies in BSE Smallcap 500 Index with the most attractive valuations, based on their value scores (*see Appendix **A***). Constituents are weighted by the product of their value score and float-adjusted market cap.

BSE Smallcap 500 Low Volatility 50 Index. The index measures the performance of the 50 least volatile companies in BSE Smallcap 500 Index (*see Appendix **B***). Constituents are weighted by the product of their Low volatility score and float-adjusted market cap.

BSE Smallcap 500 Momentum 50 Index. The index measures the performance of the 50 companies in BSE Smallcap 500 Index that exhibit the most persistence in their relative performance, based on their momentum scores (*see Appendix **C***). Constituents are weighted by the product of their momentum score and float-adjusted market cap.

BSE Smallcap 500 Quality 50 Index. The index measures the performance of the 50 highest quality companies in BSE Smallcap 500 Index, based on their quality scores (*see Appendix **D***). Constituents are weighted by the product of their quality score and float-adjusted market cap.

Index Family

The BSE 100 Largecap TMC, BSE 150 MidCap and the BSE Smallcap 500 Universe Factor Indices are part of the strategy family of BSE Indices.

For more information on other BSE Indices, please refer to www.bseindia.com or www.bseindices.com.

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

This methodology was created by BSE Index Services Pvt. Ltd. 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 BSE Index Services Pvt. Ltd. so that the index continues to achieve its objective.

Eligibility Criteria

Data Sources

1. **Market Capitalization.** Market capitalization is calculated using stock prices on BSE.
2. **Value Traded.** Traded Value is calculated using composite volumes of Indian Exchanges
3. **Impact Cost.** Impact Cost is sourced from BSE
4. **Trading Frequency.** This data is assessed based on trading information on BSE.
5. **Proportion of Promoter shares pledged:** This is calculated based on most recent quarterly shareholding pattern disclosed by the company.

A. Index Eligibility for BSE 100 LargeCap TMC universe Factor Indices:

The universe of the BSE 100 LargeCap TMC Universe Factor Indices is drawn from the constituents of BSE 100 LargeCap TMC.

For details and index management rules of BSE 100 LargeCap TMC, please refer to the BSE Indices Methodology available at www.bseindia.com *and* *www.bseindices.com*.

As part of the constituent eligibility process of each index, the following are calculated for each company:

1. 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.

Only common stocks which satisfy the following criteria at each rebalancing are eligible.

1. Stock should have traded on all working days during the reference period

B. Index Eligibility for BSE 150 MidCap universe Factor Indices:

The universe of the BSE 150 MidCap Universe Factor Indices is drawn from the constituents of BSE 150 MidCap.

For details and index management rules of BSE 150 MidCap, please refer to the BSE Indices Methodology available at www.bseindia.com *and* *www.bseindices.com*.

As part of the constituent eligibility process of each index, the following are calculated for each company:

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

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference 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 turnover ratio is calculated by dividing the annualized traded value by the average daily float-adjusted market capitalization

Only common stocks which satisfy the following criteria at each rebalancing are eligible.

1. Stock should have traded on all working days during the reference period
2. Have a Turnover Ratio greater than or equal to 20%

C. Index Eligibility for BSE Smallcap 500 universe Factor Indices:

The universe of the BSE Smallcap 500 Universe Factor Indices is drawn from the constituents of the BSE Smallcap 500 Index.

For details and index management rules of the BSE Smallcap 500, please refer to the BSE Indices Methodology available at www.bseindia.com *and* *www.bseindices.com*.

As part of the constituent eligibility process of each index, the following are calculated for each company:

1. Average daily float-adjusted market capitalization
2. Annualized traded value
3. Turnover ratio
4. Number of non-trading days
5. Proportion of Promoter shares pledged

These are calculated based on an observation period defined as the prior six-month period, as of the rebalancing reference 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.

Only common stocks which satisfy all the following criteria at each rebalancing are eligible.

1. Ranking based on Annualized Traded Value should be in the top 400
2. Have a turnover ratio greater than or equal to 20%.
3. Stock should have trading frequency of 90% during the reference period
4. Proportion of Promoter shares pledged should be less than or equal to 20%.

Index Construction

BSE LargeCap 100 Quality 30 Index

Constituent Selection. Companies satisfying the eligibility criteria are ranked based on their quality scores (*see Appendix D*).

If the underlying earnings per share ("EPS") or book value per share ("BVPS") for a given stock's return on equity ("ROE") is negative, a quality score is calculated but the stock is ineligible for index inclusion.

The top 24 companies (whether a current constituent or not) are selected for direct 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Each company is weighted by the quality score, subject to an individual stock weight cap of 5%. 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 the Wednesday prior to the second Friday of the rebalancing month as the reference price.

For more information on weighting schemes, please refer to the Non-Market Capitalization Weighted Indices section of [BISPL Index Mathematics Methodology](#).

BSE LargeCap 100 Enhanced Value 30 Index

Constituent Selection. Companies satisfying the eligibility criteria are ranked based on their value scores (*see Appendix **A***).

The top 24 companies (whether a current constituent or not) are selected for direct 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Each company is weighted by the value score, subject to an individual stock weight cap of 5%. 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 the Wednesday prior to the second Friday of the rebalancing month as the reference price.

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

BSE LargeCap 100 Momentum 30 Index

Constituent Selection. Companies satisfying the eligibility criteria and with listing history of at least one year, as on the reference date are ranked based on their momentum scores (*see Appendix **C***).

The top 24 companies (whether a current constituent or not) are selected for direct 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by Momentum score, subject to an individual stock weight cap of 5%. 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 the Wednesday prior to the second Friday of the rebalancing month as the reference price.

BSE LargeCap 100 Low Volatility 30 Index.

Constituent Selection. Companies satisfying the eligibility criteria and with listing history of at least one year, as on the reference date, are ranked based on the inverse of their volatility (*see Appendix B*).

Only those companies with derivatives linkage, would be considered as a part of eligible universe.

The top 24 companies (whether a current constituent or not) are selected for direct 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. The weight, *w*, for each index constituent, *i*, is set inversely proportional to its volatility, subject to a maximum weight of each security of 5%. Note that the capping algorithm redistributes the excess weight to the other stocks in proportion to their initial weights.

$$w_i = \frac{\frac{1}{Volatility_i}}{\sum_{i=1}^{N} \frac{1}{Volatility}}$$

where:

N = 30 (The number of index constituents)

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 the Wednesday prior to the second Friday of the rebalancing month as the reference price.

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

BSE MidCap 150 Quality 30 Index

Constituent Selection. Companies satisfying the eligibility criteria are ranked based on their quality scores (*see Appendix D*).

If the underlying earnings per share ("EPS") or book value per share ("BVPS") for a given stock's return on equity ("ROE") is negative, a quality score is calculated but the stock is ineligible for index inclusion.

The top 21 companies (whether a current constituent or not) are selected for direct index inclusion. Existing constituents ranked 22-39 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Quality score, subject to an individual stock weight cap of 5%. 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.

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

BSE MidCap 150 Enhanced Value 30 Index

Constituent Selection. Companies satisfying the eligibility criteria are ranked based on their value scores (*see Appendix **A***).

The top 21 companies (whether current constituent or not) are selected for direct index inclusion. Existing constituents ranked 22-39 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Value score, subject to an individual stock weight cap of 5%. 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.

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

BSE MidCap 150 Momentum 30 Index

Constituent Selection. Companies satisfying the eligibility criteria and with listing history of at least one year, as on the reference date are ranked based on their momentum scores (*see Appendix **C***).

The top 21 companies (whether current constituent or not) are selected for direct index inclusion. Existing constituents ranked 22-39 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Momentum score, subject to an individual stock weight cap of 5%. 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.

BSE MidCap 150 Low Volatility 30 Index.

Constituent Selection. Companies satisfying the eligibility criteria and with listing history of at least one year, as on the reference date, are ranked based on the inverse of their volatility (*see Appendix B*).

The top 21 companies (whether current constituent or not) are selected for direct index inclusion. Existing constituents ranked 22-39 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Inverse Volatility score, subject to an individual stock weight cap of 5%. Note that the capping algorithm redistributes the excess weight to the other stocks in proportion to their initial weights.

$$w_i = \frac{\dfrac{1}{Volatility_i}}{\sum_{i=1}^{N} \dfrac{1}{Volatility}}$$

where:
N = 30 (The number of index constituents)

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 the Wednesday prior to the second Friday of the rebalancing month as the reference price.

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

BSE Smallcap 500 Quality 50 Index

Constituent Selection. Companies satisfying the eligibility criteria are ranked based on their quality scores (*see Appendix D*).

If the underlying earnings per share ("EPS") or book value per share ("BVPS") for a given stock's return on equity ("ROE") is negative, a quality score is calculated but the stock is ineligible for index inclusion.

The top 30 companies (whether a current constituent or not) are selected for direct index inclusion. Existing constituents ranked 31-70 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Quality score, subject to an individual stock weight cap of 4%. 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.

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

BSE Smallcap 500 Enhanced Value 50 Index

Constituent Selection. Companies satisfying the eligibility criteria are ranked based on their value scores (*see Appendix **A***).

The top 30 companies (whether current constituent or not) are selected for direct index inclusion. Existing constituents ranked 31-70 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Value score, subject to an individual stock weight cap of 4%. 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.

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

BSE Smallcap 500 Momentum 50 Index

Constituent Selection. Companies satisfying the eligibility criteria and with listing history of at least one year, as on the reference date are ranked based on their momentum scores (*see Appendix **C***).

The top 30 companies (whether current constituent or not) are selected for direct index inclusion. Existing constituents ranked 31-70 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Momentum score, subject to an individual stock weight cap of 4%. 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.

BSE Smallcap 500 Low Volatility 50 Index.

Constituent Selection. Companies satisfying the eligibility criteria and with listing history of at least one year, as on the reference date, are ranked based on the inverse of their volatility (*see Appendix B*).

The top 30 companies (whether current constituent or not) are selected for direct index inclusion. Existing constituents ranked 31-70 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. The index employs a non-market capitalization weighting scheme, using the divisor methodology used in BSE Index Services Pvt. Ltd. equity indices. Index constituents are weighted by the product of float-adjusted market capitalization and Inverse Volatility score, subject to an individual stock weight cap of 4%. Note that the capping algorithm redistributes the excess weight to the other stocks in proportion to their initial weights.

$$w_i = \frac{\dfrac{1}{Volatility_i}}{\displaystyle\sum_{i=1}^{N} \frac{1}{Volatility}}$$

where:
N = 50 (The number of index constituents)

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 the Wednesday prior to the second Friday of the rebalancing month as the reference price.

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

Index Maintenance

Rebalancing

The indices are rebalanced quarterly, effective as of market open on the Monday following the third Friday of March, June, September and December, respectively. The fundamental data reference date for the BSE LargeCap 100 Enhanced Value 30 Index, BSE LargeCap 100 Quality 30 Index, BSE MidCap 150 Enhanced Value 30 Index, BSE MidCap 150 Quality 30 Index, BSE Smallcap 500 Enhanced Value 50 Index and BSE Smallcap 500 Quality 50 Index is the last day of the month prior to the rebalancing date. The rebalancing reference dates for the index universe and other data points are the last day of the month prior to the rebalancing date.

Index shares are assigned based on prices after the close of market on the Wednesday prior to the second Friday of the rebalancing month, the actual weight of each stock at the rebalancing differs from these weights due to market movements.

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 implementation date.

Additions

No companies are added to an index between quarterly rebalancings. As such, the number of stocks in each index may fall below the targeted constituent count of 30/50 due to any deletions made between the quarter rebalancings.

Deletions

A company can be deleted from an index between quarterly rebalancings due to events such as mergers, takeovers, delistings, group changes, suspensions, surveillance objections, graded surveillance measure objections, 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 the implementation date.
- Whenever practicable, BSE Index Services Pvt. Ltd. Indices 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 begins at market open on 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 indices are checked for consistency with the four Securities and Exchange Board of India ("SEBI") norms on a quarterly basis.[1] 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 market open on the Monday following the third Friday of March, June, September, and December, respectively.

Corporate Actions

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 will cause 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
	Constituents changing their BSE Industry Sub-Group classification to an ineligible BSE Industry Sub-Group classification are removed quarterly.	Yes

For more information on Corporate Actions, please refer to the Non-Market Capitalization Indices section of BISPL Equity Index Policy.

Currency of Calculation and Additional Index Return Series

The indices are calculated in Indian rupees.

For information on the index calculation, please refer to BISPL Index Mathematics Methodology.

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

Base Date 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 LargeCap 100 Enhanced Value 30 Index	9-Dec-2025	20-Jun-2005	20-Jun-2005	1000
BSE LargeCap 100 Low Volatility 30 Index	9-Dec-2025	20-Jun-2005	20-Jun-2005	1000
BSE LargeCap 100 Momentum 30 Index	9-Dec-2025	20-Jun-2005	20-Jun-2005	1000
BSE LargeCap 100 Quality 30 Index	9-Dec-2025	20-Jun-2005	20-Jun-2005	1000
BSE MidCap 150 Enhanced Value 30 Index	12-Jan-2026	20-Jun-2005	20-Jun-2005	1000
BSE MidCap 150 Low Volatility 30 Index	12-Jan-2026	20-Jun-2005	20-Jun-2005	1000
BSE MidCap 150 Momentum 30 Index	12-Jan-2026	20-Jun-2005	20-Jun-2005	1000
BSE MidCap 150 Quality 30 Index	12-Jan-2026	20-Jun-2005	20-Jun-2005	1000
BSE Smallcap 500 Enhanced Value 50 Index	09-Mar-2026	19-Sep-2005	19-Sep-2005	1000
BSE Smallcap 500 Low Volatility 50 Index	09-Mar-2026	19-Sep-2005	19-Sep-2005	1000
BSE Smallcap 500 Momentum 50 Index	09-Mar-2026	19-Sep-2005	19-Sep-2005	1000
BSE Smallcap 500 Quality 50 Index	09-Mar-2026	19-Sep-2005	19-Sep-2005	1000

Index Data

Calculation Return Types

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

- Price Return (PR) versions are calculated without adjustments for regular cash dividends.
- Gross Total Return (TR) versions reinvest regular cash dividends at market 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 classification of regular versus special cash dividends, as well as the tax rates used in the calculation of net return, please refer to BISPL Equity Index Policy.

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

Index Governance

Index Oversight Committee

The BSE Index Services Pvt. Ltd.'s Index Oversight Committee oversees these indices. The Index Oversight Committee meets regularly. At each meeting, the Index Oversight Committee reviews 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, BSE Index Services Pvt. Ltd. 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.

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. Since index shares are assigned based on prices prior to the rebalancing, the actual weight of each stock at the rebalancing differs from these weights due to market movements.

Please visit www.asiaindex.co.in for a complete schedule of rebalancing timelines and pro-forma delivery times.

Holiday Schedule

The 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 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 of the new portfolio's effective date.

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 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 calculation 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	Return Type	Bloomberg INR	Refinitiv INR
BSE LargeCap 100 Enhanced Value 30	Price Return	---	---
	Total Return	---	---
BSE LargeCap 100 Low Volatility 30	Price Return	---	---
	Total Return	---	---
BSE LargeCap 100 Momentum 30	Price Return	---	---
	Total Return	---	---
BSE LargeCap 100 Quality 30	Price Return	---	---
	Total Return	---	---
BSE MidCap 150 Quality 30	Price Return	---	---
	Total Return	---	---
BSE MidCap 150 Momentum 30	Price Return	---	---
	Total Return	---	---
BSE MidCap 150 Enhanced Value 30	Price Return	---	---
	Total Return	---	---
BSE MidCap 150 Low Volatility 30	Price Return	---	---
	Total Return	---	---
BSE Smallcap 500 Enhanced Value 50	Price Return	---	---
	Total Return	---	---
BSE Smallcap 500 Low Volatility 50	Price Return	---	---
	Total Return	---	---
BSE Smallcap 500 Momentum 50	Price Return	---	---
	Total Return	---	---
BSE Smallcap 500 Quality 50	Price Return	---	---
	Total Return	---	---

Index Data

Daily constituent and index level data are available via subscription.

For product information, please contact BSE Index Services Pvt. Ltd., www.bseindices.com/contact-us.

Web site

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

Appendix A – Value Score

Fundamental Ratios Calculation

The first step to determine the overall value score is to calculate, as of the fundamental data reference date, the three fundamental ratios below for each security in the index universe. They are defined as follows:

- **Book Value-to-Price Ratio.** This is calculated as a company's latest book value per share divided by its price:

  Book Value-to-Price = $\frac{BVPS}{P}$

- **Earnings-to-Price Ratio.** This is calculated as a company's trailing 12-month earnings per share divided by its price:

  Earnings-to-Price = $\frac{EPS}{P}$

- **Sales-to-Price Ratio.** This is calculated as a company's trailing 12-month sales per share divided by its price:

  Sales-to-Price = $\frac{SPS}{P}$

Outlier Handling and Winsorization. Outlier fundamental ratios are winsorized to ensure that the average values used to calculate the overall value score are less distorted by extreme values. For a given fundamental variable, the values for all securities are first ranked in ascending order. Then, for securities that lie above the 97.5 percentile rank or below the 2.5 percentile rank, their value is set as equal to the value of the 97.5 percentile ranked or the 2.5 percentile ranked security, whichever is applicable.

Z-score & Value Score Computation

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. After winsorizing all the three fundamental ratios, the z-score for each of the three ratios 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 = Winsorized variable for a given security

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

σ_α = Standard deviation of the winsorized 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 three scores. Where there is a missing value, the average z-score is computed by taking a simple average of the remaining two scores. A security must have at least one z-score for it to be included in the index.

Outlier Handling and Winsorization. Outlier average z-scores are winsorized to ensure that the average values used to calculate the overall value 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 4 or below -4, their value is set as equal to 4 or -4, whichever is applicable.

Value Score Computation. Using the winsorized average z-scores for the three value factors, a value score is computed for each of the securities. For a given security, if its winsorized average z-score is above 0, then its value 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 value score will be the result of the reciprocal of 1 subtracted by its average z-score.

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

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

If average Z = 0, Value Score = 1

Appendix B – Volatility

1) Volatility Calculation for BSE LargeCap 100 Low Volatility 30 Index

Volatility is defined as the standard deviation of the security's daily price returns over the prior one year of trading days. It can be mathematically expressed as:

$$\sqrt{\frac{\sum_{i=1}^{N}(X_i - \overline{X})^2}{N-1}}$$

where:

X_i = Price change = $\dfrac{P_t}{P_{t-1}} - 1$

P_t = Closing price of the stock on day t

P_{t-1} = Closing price of the stock on day $t-1$

t = 1 to N

$\overline{X}$ = Average price change

N = Number of trading days in a year based on local calendar

2) **Volatility Calculation for BSE Midcap 150 Low Volatility 30 Index and BSE Smallcap 500 Low Volatility 50 Index**

Volatility is defined as the standard deviation of the security's daily price returns over the prior one year of trading days. It can be mathematically expressed as:

$$\sqrt{\frac{\sum_{i=1}^{N}(X_i-\overline{X})^2}{N-1}}$$

where:

X_i = Price change = $\frac{P_t}{P_{t-1}} - 1$

P_t = Closing price of the stock on day t

P_{t-1} = Closing price of the stock on day $t-1$

t = 1 to N

$\overline{X}$ = Average price change

N = Number of trading days in a year based on local calendar

Inverse Volatility score is computed for each stock as the inverse of its volatility

Z-Score Computation. Computing a z-score is a widely adopted method of standardizing a variable. The z-score for each security is calculated using the inverse volatility score.

Outlier Handling and Winsorization. Winsorization reduces the impact of outliers on a data set by limiting them to a designated value or score. For the BSE Smallcap 500 Low volaitlity 50 Index, the winsorized z-score of a security is capped at ± 3.

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

If Z > 0, Low Volatility Score = 1 + Z

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

If Z = 0, Low Volatility Score = 1

Appendix C – Momentum Score

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).

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

   NOTE 1: For example, if the effective rebalancing date is on 03/24/2025, the reference date is 02/28/2025, and the momentum value will be calculated based on the prices from 02/28/2024 and 02/28/2025.

   NOTE 2: For a stock to be included in the BSE Momentum Index, it must be trading for at least twelve months prior to the rebalancing reference date.

2. The momentum value is further adjusted by the security's volatility. For a given *positive* price change over the evaluation period, *lower* volatility improves the adjusted momentum value. For a given *negative* price change over the evaluation period, *higher* volatility improves the adjusted momentum value. When many securities within a given index universe experience negative price changes over a relevant evaluation period, the volatility adjustment may cause the selection of constituents with higher negative price changes.

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

   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

Appendix D – Quality Score

Fundamental Ratios Calculation

The first step to determine the overall quality score is to calculate, as of the fundamental data reference date, the three fundamental ratios below for each security in the index universe. They are defined as follows:

- **Return on Equity (ROE).** This is calculated as a company's trailing 12-month earnings per share divided by its latest book value per share:

  ROE = $\frac{EPS}{BVPS}$

- **Accruals Ratio.** This is computed using the change of a company's net operating assets over the last year divided by its average total assets over the last two years:

  Accruals Ratio = $\frac{(NOA_t - NOA_{t-1})}{((Total\ Assets_t + Total\ Assets_{t-1}))/2}$

- **Financial Leverage Ratio.** This is calculated as a company's latest total debt divided by its book value.

  Leverage = $\frac{Total\ Debt}{(BVPS\ x\ Common\ Shares\ outstanding)}$

Outlier Handling and Winsorization. Outlier fundamental ratios are winsorized to ensure that the average values used to calculate the overall quality score are less distorted by extreme values.

- **Return on Equity and Accruals Ratio.** For a given fundamental variable, the values for all securities are first ranked in ascending order. Then, for securities that lie above the 97.5 percentile rank or below the 2.5 percentile rank, their value is set as equal to the value of the 97.5 percentile ranked or the 2.5 percentile ranked security, whichever is applicable. If the underlying EPS or BVPS for a given stock's ROE is negative, the ROE value is excluded, and the stock's ROE Z-score is set as equal to the lowest component stock ROE Z-score.
- **Financial Leverage Ratio.** The values for all securities are first ranked in ascending order. Then, for securities that lie above the 97.5 percentile rank or below the 2.5 percentile rank, their value is set as equal to the value of the 97.5 percentile ranked or the 2.5 percentile ranked security, whichever is applicable. If the underlying data point for a given stock's BVPS is negative, leading to a negative Leverage, its Leverage value will be excluded, and the stock will be assigned a Leverage Z-score set as equal to the Leverage Z-score value of the 97.5 percentile ranked security.

Z-score & Quality Score Computation

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. After winsorizing all the three fundamental ratios, the z-score for each of the three ratios for each security is calculated using the mean and standard deviation of the relevant variable within the index universe.

- **Return on Equity.** The z-score is calculated as follows:

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

- **Accruals and Financial Leverage Ratios.** 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 = Winsorized variable for a given security

μ_α = Arithmetic mean of the winsorized variable in a given index universe, excluding any missing values

σ_α = Standard deviation of the winsorized variable in a given index universe

Average Z-score Computation. For each security, the average z-score is computed by taking a simple average of the three scores. Where there is a missing value, the average z-score is computed by taking a simple average of the remaining two scores. A security must have at least one z-score for it to be included in the index.

For stocks with a common India Industry Classification Structure macro-economic indicator classification of Financial Services, or a sector classification of Realty, the Accrual Ratio calculation is not applied to the quality score computation.

Outlier Handling and Winsorization. Outlier average z-scores are winsorized to ensure that the overall quality scores 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 4 or below -4, their value is set as equal to 4 or -4, whichever is applicable.

Quality Score Computation. Using the winsorized average z-scores, a quality score is computed for each of the securities. For a given security, if its winsorized average z-score is above 0, then its quality 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 quality score will be the result of the inverse of 1 subtracted by its average z-score.

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

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

If average Z = 0, Quality Score = 1

Disclaimer