

# S&P BSE Indices Consultation

**MUMBAI, MAY 3, 2017:** S&P Dow Jones Indices (S&P DJI) is conducting a consultation with members of the investment community on a potential methodology change to the S&P BSE SENSEX, S&P BSE 200, and S&P BSE 500 indices regarding the treatment of multiple share classes for index inclusion. The change under consideration is outlined below:

| Change   | Current Methodology  | Proposed Methodology   |
|--|--|--|
| <b>Differential Voting Right Shares (DVRs)</b> | 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. |

## IMPACT ANALYSIS

If the proposed change had been incorporated into the December 2016 rebalancing, there would have been an additional one-way turnover of approximately 0.4% for the S&P BSE SENSEX. For the S&P BSE 200 and S&P BSE 500, there would have been no impact.

## QUESTIONS:

1. Do you agree with the proposed DVR change outlined above?
2. Do you have any other comments or feedback regarding the proposed change outlined above?

For more details on the current index methodology, please refer to the S&P BSE Indices Methodology available at [www.spdji.com](http://www.spdji.com) and [www.asiaindex.co.in](http://www.asiaindex.co.in).

Your participation in this consultation is important as we gather information on your views and preferences. Your responses will be kept confidential. Please respond to this survey by **May 17, 2017**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed question after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please respond to S&P DJI at [index\\_services@spglobal.com](mailto:index_services@spglobal.com).

*Please be advised that all comments will be reviewed and considered before a final decision is made; however S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our Web site.*

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

### **Asia Index Private Limited**

Asia Index Pvt. Ltd is a 50-50 partnership between S&P Dow Jones Indices LLC, the world's largest provider of financial market indices, and BSE Ltd, Asia's oldest stock exchange and home to the iconic SENSEX index - a leading indicator of Indian equity market performance. Asia Index Pvt. Ltd, which combines the benchmarks, market intelligence, and insights of both parent companies, each established more than 115 years ago, aims to provide a full array of indices enabling global and domestic investors to participate in South Asia's vibrant economies. The Company is best known for calculating, publishing, and maintaining a diverse family of Asian indices under the umbrella brand, S&P BSE Indices.

### **About BSE Ltd**

BSE (Formerly Bombay Stock Exchange), established in 1875, BSE is Asia's first & now the world's fastest Stock Exchange with a speed of 6 microseconds. BSE is India's leading exchange groups and has played a prominent role in developing the Indian capital market. BSE is a corporatized and demutualised entity, with a broad shareholder base which includes two leading global exchanges, Deutsche Bourse and Singapore Exchange as strategic partners. BSE provides an efficient and transparent market for trading in equity, debt instruments, equity derivatives, currency derivatives, interest rate derivatives, mutual funds and stock lending and borrowing. BSE also has a dedicated platform for trading in equities of small and medium enterprises (SMEs). BSE provides a host of other services to capital market participants including risk management, clearing, settlement, market data services and education. It has a global reach with customers around the world and a nation-wide presence. BSE systems and processes are designed to safeguard market integrity, drive the growth of the Indian capital market and stimulate innovation and competition across all market segments.

### **About S&P Dow Jones Indices**

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than based on any other provider in the world. With over 1,000,000 indices and more than 120 years of experience constructing innovative and transparent solutions, S&P Dow Jones Indices defines the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies, and governments to make decisions with confidence. For more information, visit [www.spdji.com](http://www.spdji.com).

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