BSE Limited

(Formerly known as Bombay Stock Exchange Limited)
Registered office: Floor 25, P J Towers, Dalal Street, Mumbai 400001
Statement of Consolidated Financial Results for the Quarter Ended and Period Ended September 30, 2015

` In Lakh

	PARTICULARS	For The Quarter Ended September 30, 2015 (Unaudited)	For The Quarter Ended June 30, 2015 (Unaudited)	For The Quarter Ended September 30, 2014 (Unaudited)	For The Period Month Ended September 30, 2015 (Unaudited)	For The Period Month Ended September 30, 2014 (Unaudited)	For The Year Ended Mar 31, 2015 (Audited)
I.	**INCOME**						
	a) Operating Income	9,869	9,307	9,050	19,176	18,011	36,114
	b) Investments and Deposits Income	4,825	4,661	5,477	9,486	11,208	22,257
	Total Income	**14,694**	**13,968**	**14,527**	**28,662**	**29,219**	**58,371**
II.	**EXPENDITURE**						
	a) Employee Costs	2,813	2,725	2,551	5,538	5,072	10,307
	b) Computer Technology Related Expenses	1,856	1,845	1,389	3,701	3,062	7,042
	c) Administration and Other Expenses	4,206	4,518	3,277	8,724	6,195	12,016
	d) Depreciation and Amortisation (Note 7)	1,451	1,409	1,264	2,860	2,427	5,877
	Total Expenditure	**10,326**	**10,497**	**8,481**	**20,823**	**16,756**	**35,242**
III.	**Profit from Operations before Other Income, Finance cost, Exceptional items and Tax**	**4,368**	**3,471**	**6,046**	**7,839**	**12,463**	**23,129**
	a) Other Income	1,047	992	1,237	2,039	2,153	4,104
IV.	**Profit from Ordinary Activities before Finance Cost, Exceptional items and Tax**	**5,415**	**4,463**	**7,283**	**9,878**	**14,616**	**27,233**
	Finance Cost	15	17	17	32	30	66
V.	**Profit from Ordinary Activities before Exceptional items and Tax**	**5,400**	**4,446**	**7,266**	**9,846**	**14,586**	**27,167**
	Exceptional Items (Notes 4(b) and 5)	1,570	3,343	953	4,913	3,411	5,075
VI.	**Profit before tax**	**3,830**	**1,103**	**6,313**	**4,933**	**11,175**	**22,092**
	Tax Expense (net)	258	417	1,469	675	2,083	4,378
VII.	**Profit after tax before share of loss of associate and minority interest**	**3,572**	**686**	**4,844**	**4,258**	**9,092**	**17,714**
	Less : Share of loss of associate	9	9	7	18	20	28
VIII.	**Profit after tax before share of profit attributable to minority interest**	**3,563**	**677**	**4,837**	**4,240**	**9,072**	**17,686**
	Less : Share of profit attributable to minority interest	597	421	515	1,018	1,105	2,133
IX.	**Net Profit For The Period / Year attributable to shareholders of the Company**	**2,966**	**256**	**4,322**	**3,222**	**7,967**	**15,553**
	Paid up Equity Capital (Face Value Per Share ` 1 Each)	1,074	1,074	1073*	1,074	1073*	1073*
	Reserves (Excluding Revaluation Reserve)						2,45,016
	Basic and Diluted EPS in ` (Refer Note Below)	2.72	0.23	3.96	2.95	7.30	14.25

Note: Basic and Diluted EPS is not annualised for the quarter ended and period ended results. EPS is calculated on shares issued by the Company.
*Share capital includes 3,428,571 equity shares of Re. 1 /- each (disclosed in the Financial Statements as Equity Share Capital Suspense Account) to be issued as fully paid-up pursuant to the merger of United Stock Exchange of India Limited with BSE Limited under the Scheme of Amalgamation without the payment being received in cash as at March 31, 2015.

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2015

` In Lakh

	PARTICULARS	As at September 30, 2015 (Unaudited)	As at March 31, 2015 (Audited)
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	(a) Share Capital	1,074	1,073
	(b) Reserves and Surplus	2,46,943	2,45,016
		2,48,017	2,46,089
	Core Settlement Guarantee Fund	16,880	10,754
2	**Share Application Money Pending Allotment**	1	1
3	**Minority Interest**	19,615	19,864
			-
4	**Non-current Liabilities**		
	(a) Deferred Tax Liabilities (net)	22	267
	(b) Long-term borrowings	307	356
	(c) Other Long-term Liabilities	4,931	4,499
	(d) Deposits from Members	1,900	1,900
	(e) Long-term provisions	98	77
		7,258	7,099
5	**Current Liabilities**		
	(a) Trade Payables	7,078	5,805
	(b) Other Current Liabilities	1,10,174	1,21,440
	(c) Short-term Provisions	1,836	8,311
		1,19,088	1,35,556
	TOTAL	**4,10,859**	**4,19,363**
B	**ASSETS**		
1	**Goodwill on Consolidation**	8,504	8,504
2	**Non-Current Assets**		
	(a) Fixed Assets	16,363	16,919
	(b) Non-Current Investments	1,62,033	1,41,023
	(c) Deferred Tax Assets (net)	779	631
	(d) Long-term Loans and Advances	10,315	8,563
	(e) Other Non-current Assets	134	210
		1,89,624	1,67,346
3	**Current Assets**		
	(a) Investments	50,124	86,595
	(b) Trade Receivables	4,054	3,600
	(c) Cash and Bank Balances	1,23,946	1,44,876
	(d) Short-term Loans and Advances	3,887	2,470
	(e) Other Current Assets	30,720	5,972
		2,12,731	2,43,513
	TOTAL	**4,10,859**	**4,19,363**

1 The above consolidated financial results for the Quarter and Period ended September 30, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors on November 10, 2015.

2 The Consolidated results of the Group includes the Company, its five direct subsidiaries, two joint ventures and an associate. The results of five direct subsidiaries, two joint ventures and an associate included in the consolidated results have been reviewed / audited by their respective auditors.

3 As per the definition of 'business segment' and 'geographical segment', contained in Accounting Standard-17 (AS-17) "Segment Reporting", the Management is of the opinion that as the Group's operations comprise two segments viz. a) Stock exchange activity i.e. facilitating trading of securities and the activities incidental there to and b) Depository activity i.e. providing depository related services, accordingly following disclosure is made.

` In Lakh

Sr. No	Particulars	For The Quarter Ended September 30, 2015 (Unaudited)	For The Quarter Ended June 30, 2015 (Unaudited)	For The Quarter Ended September 30, 2014 (Unaudited)	For The Period Month Ended September 30, 2015 (Unaudited)	For The Period Month Ended September 30, 2014 (Unaudited)	For The Year Ended Mar 31, 2015 (Audited)
A	**Segment Revenue**						
	(a) Stock Exchange Activity	11,561	11,358	11,629	22,919	22,960	46,438
	(b) Depository Activity	3,276	2,753	2,917	6,029	6,062	12,589
	Total	**14,837**	**14,111**	**14,546**	**28,948**	**29,022**	**59,027**
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Total Income	**14,837**	**14,111**	**14,546**	**28,948**	**29,022**	**59,027**
B	**Segment Results before exceptional items**						
	(a) Stock Exchange Activity	5,202	4,661	6,469	9,863	12,756	25,341
	(b) Depository Activity	1,957	1,489	1,696	3,446	3,534	7,267
	Total	**7,159**	**6,150**	**8,165**	**13,309**	**16,290**	**32,608**
	Less : Exceptional Items	1,570	3,343	953	4,913	3,411	5,075
C	**Segment Results after exceptional items**						
	(a) Stock Exchange Activity	3,632	1,318	5,516	4,950	9,345	20,266
	(b) Depository Activity	1,957	1,489	1,696	3,446	3,534	7,267
	Total	**5,589**	**2,807**	**7,212**	**8,396**	**12,879**	**27,533**
	Add : Unallocated Corporate Income	904	849	1,218	1,753	2,350	3,448
	Less : Unallocated Corporate Expenses	2,663	2,553	2,117	5,216	4,054	8,889
	Less : Extraordinary Items	-	-	-	-	-	-
D	**Profit before taxation**	**3,830**	**1,103**	**6,313**	**4,933**	**11,175**	**22,092**
	Less : Provision for taxation	258	417	1,469	675	2,083	4,378
E	**Profit after taxation**	**3,572**	**686**	**4,844**	**4,258**	**9,092**	**17,714**
						As at September 30, 2015	**As at Mar 31, 2015 (Audited)**
F	**Capital Employed**						
	(a) Stock Exchange Activity					1,98,753	2,06,443
	(b) Depository Activity					38,582	39,432
	(c) Unallocated					10,683	215
	Total					**2,48,018**	**2,46,090**

4 In accordance with The Securities Contracts (Regulations) (SECC) Regulations, 2012 (The Regulations) issued on June 20, 2012, every recognized stock exchange is required to transfer twenty five percent of its annual profits every year to a fund of the recognized clearing corporation(s) which clear(s) and settle(s) trades executed on that stock exchange to guarantee the settlement of trades. Further, as per Circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014 issued by the Securities & Exchange Board of India ("SEBI") regarding a Core Settlement Guarantee Fund, every stock exchange shall contribute at least 25% of the Minimum Required Corpus (can be adjusted against transfer of profit by Stock Exchange as per Regulation 33 of SECC Regulations) to a Core Settlement Guarantee Fund established and maintained by its clearing corporation. Pending receipt of formal clarifications regarding the Regulations and the implementation of the circular mentioned,

a) the Company made an appropriation of ` 5,144 lakh as at March 31, 2015. The appropriation of profit after tax for the current year will be made at the end of the financial year.

b) The Company has deposited ` 2,579 lakh (including interest) towards the Minimum Required Corpus (MRC) to the Core Settlement Guarantee Fund established and maintained by its clearing corporation during FY 2014-15. The deposit amount has been charged to the Statement of Profit and Loss under the head "Exceptional item".

c) The Company's current period contribution of ` 1,734 lakh towards the MRC has also been charged to the Statement of Profit and Loss under the head "Administration and Other Expenses". The Contribution to the core SGF has been adjusted against reserves.

d) The contribution to the Core SGF has been adjusted against transfer of profit by the Exchange as per the Regulation mentioned above.

e) In compliance with SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014, Indian Clearing Corporation Limited (the clearing corporation of the Exchange) has contributed a sum of ₹ 5,108 lakh during the current period to the Core SGF from its own funds being its share of contribution towards the required MRC.

5 a) Pursuant to SEBI Circular CIR/DNPD/5/2011 dated June 2, 2011 (BSE Notice no-20110602-18, dated June 02, 2011), the Company had launched a series of Liquidity Enhancement Incentive Programmes (LEIP) to enhance liquidity in BSE's Futures & Options Segment. LEIP was launched on 28th September, 2011 and an expense of ` 517 lakh and ` 1,281 lakh has been incurred towards the programmes for the quarter and six month ended September 30, 2015 respectively (` 898 lakh and ` 1,820 for the quarter and six month ended September 30, 2014 respectively). Considering the special nature of this expense and its impact on the profit of the Company, the same has been recognised as an exceptional item.

b) During the last year, the Group implemented a Voluntary Retirement Scheme 2014 (VRS) for all its eligible employees. Post closure of the Scheme an expense of ` 1,277 lakh has been incurred and has been treated as an exceptional item for the year ended on March 31, 2015. [Refer V above]

c) Based on a direction received from SEBI during the period, the Company has charged an amount of ₹ 460 Lakh to the Statement of Profit and Loss which is to be reimbursed to The Stock Exchange Investor's Protection Fund (BSE IPF) towards Contribution to the IFRS Foundation pertaining to earlier years. Considering the nature of the expense and its impact on the profit of the Company, the same has been disclosed as an exceptional item.

d) Based on the Offer for Sale which has been approved by the Board in its meeting held on November 10, 2015 with regard to the disposal of the investment in BOI Shareholding Limited, an amount of ` 593 lakhs has been charged in the Consolidated Statement of Profit and Loss being the difference between the proposed sale price and net-worth considered in the consolidated financial results.

6 Depositories and Participants (Amendment) Regulations, 2012 dated September 11, 2012 requires every depository company to establish and maintain an Investor Protection Fund (the "IPF") for the protection of interest of beneficial owners and every depository is required to credit twenty five percent of its profits every year to the Investor Protection Fund.

a) Central Depository Services (India) Limited (CDSL), a subsidiary of the Exchange has sought clarification from SEBI on whether the amount of contribution to IPF is to be calculated at twenty five percent of the operating profits of CDSL before tax and available after making such contribution, from its depository business. Pending clarification from SEBI, CDSL has calculated IPF contribution of ` 530 Lakh (` 1,235 lakh for the year ended March 31, 2015) for the current period, being twenty five percent of the net profits before tax, available after making such contribution.

b) If the contribution is calculated at twenty five percent of the operating profits before tax, available after making such contribution, the amount of contribution would be ` 388 Lakh (` 844 lakh for the year ended March 31, 2015) during the current period.

c) The Kamath committee, on July 17, 2015, recommended to SEBI, that depositories may transfer 5%, or such percentage as may be prescribed by SEBI from time to time, of their profits from depository operations every year to the IPF. SEBI's final clarification on the same is still pending. Accordingly, no effect of the Kamath Committee recommendation has been given in the financial results.

7 Based on SEBI Regulations, the Company is required to divest its stake in Central Depository Services (India) Limited (CDSL) to 24% of the Share Capital of CDSL. As at November 10, 2015, the Board has accepted an offer for sale from a prospective buyer to purchase the shares of CDSL from the Company, however this offer for sale is subject to SEBI and shareholder approval.

8 During the year ended March 31, 2015, the Group reassessed the depreciation rate on tangible fixed assets as per the useful life specified in the Companies Act, 2013. Accordingly, depreciation of ` 497 lakh on account of assets whose useful life was already exhausted as on April 01, 2014 and deferred tax of ` 168 lakh thereon was adjusted against the opening surplus in the Statement of Profit and Loss as at April 01, 2014.

9 Figures included in the Statement of Financial Results for the quarter ended September 30, 2015 and the Statement of Assets and Liabilities as at September 30, 2015 pertaining to FY 2014-15 have been updated to include figures in the financial results of United Stock Exchange of India Limited (USE) for the corresponding periods as the Scheme of Amalgamation between BSE Limited and USE with an appointment date of April 1, 2014 was effective only from May 14, 2015.

10 Previous quarter's / year's figures have been regrouped / reclassified wherever necessary to correspond with the current quarter's / year's classification / disclosure.

For and on behalf of Board of Directors of
BSE LIMITED

Ashishkumar Chauhan
Managing Director & CEO

Mumbai, November 10, 2015