

Date: March 17, 2017

The Manager,  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1  
G Block, Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051

**Scrip Code:** BSE

**ISIN:** INE118H01025

Dear Sir/Madam,

**Sub: Investor Presentation – Schedule of Analyst / Institutional Investor meeting on March 17, 2017**

With reference to the captioned subject, please find attached Investor presentation pursuant to meeting scheduled on March 17, 2017.

This is for your information and records.

For **BSE Limited**



**Prajakta Powle**  
**Company Secretary & Compliance Officer**





**BSE Limited**

Annual Investor Presentation



- 1 **Overview**
- 2 **Business Model and Highlights**
- 3 **State-of-the-art Infrastructure and Technology**
- 4 **Growth Strategy**
- 5 **Performance Highlights**
- 6 **Awards & Recognitions**



# 1. Overview



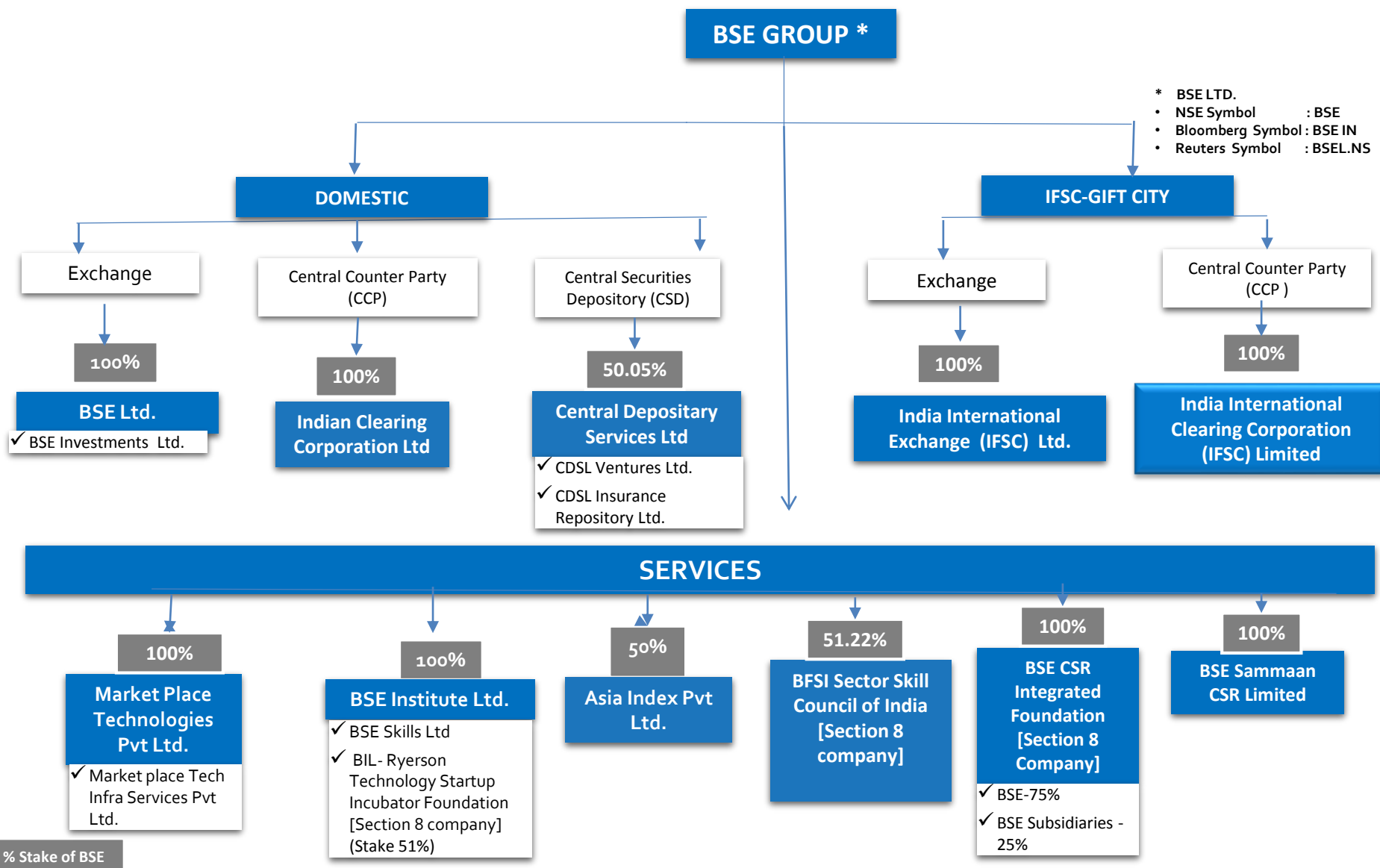


# Evolution Of The Exchange - Key Milestones

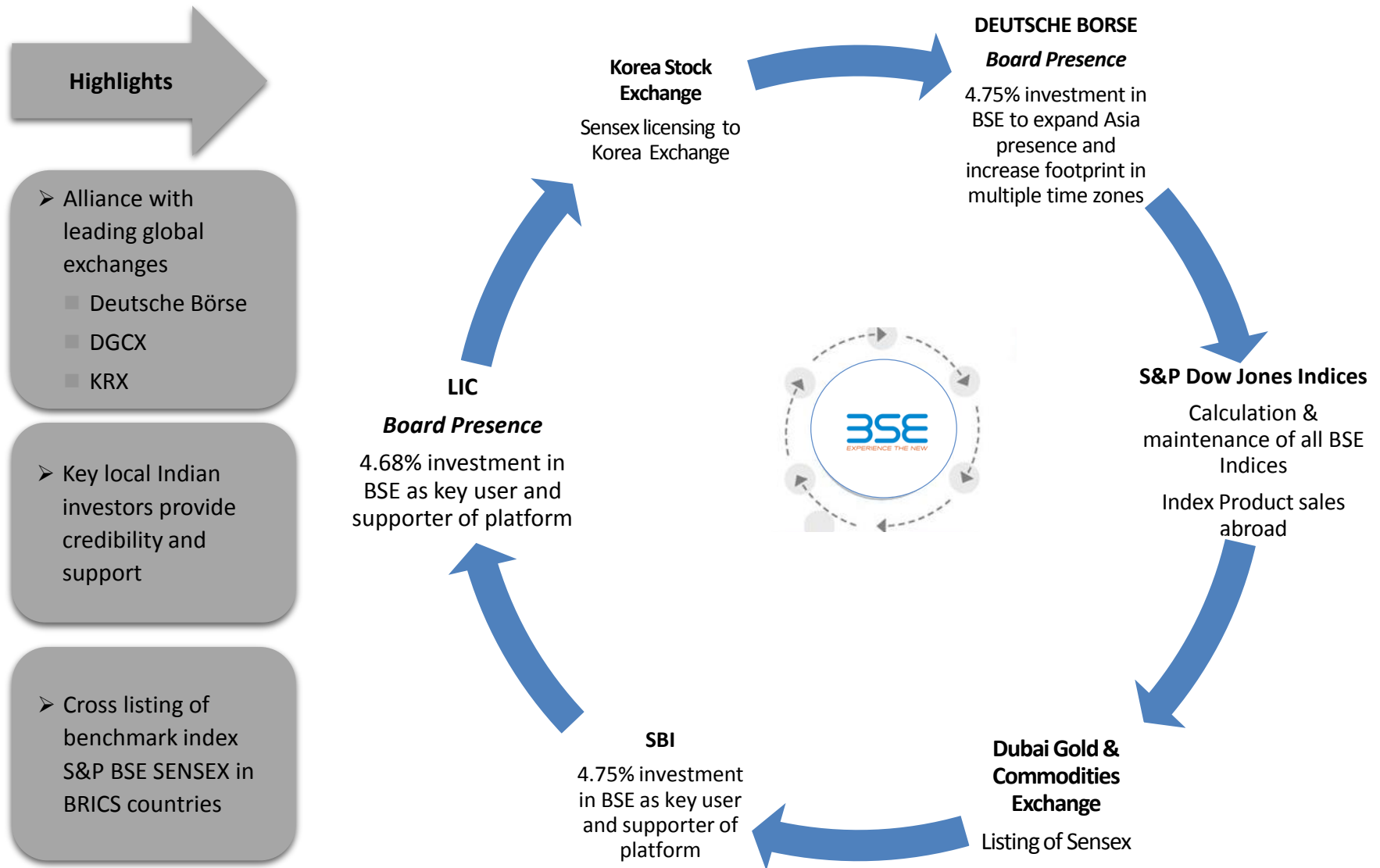


Date	BSE Milestones
3rd Feb 2017	BSE becomes India's first listed Stock Exchange
9th Jan 2017	Hon'ble Prime Minister of India, Shri Narendra Modi inaugurated India International Exchange (IFSC) Ltd, India's 1st International Exchange
7th Dec 2016	Asia Index Private Limited launches S&P BSE SENSEX 50 Index to measure the performance of the 50 largest listed companies at the BSE
9th July 2016	Shri Arun Jaitley, Hon'ble Minister of Finance Unveiled the Commemorative Postage Stamp Celebrating 140 glorious years of BSE
09 <sup>th</sup> Jun 2016	BSE announces commencement of trading of Sovereign Gold Bonds
28 <sup>th</sup> Apr 2016	BSE signs Memorandum of Understanding with Korea Exchange (KRX) to launch S&P BSE Sensex based derivatives contracts at KRX
05 <sup>th</sup> Apr 2016	BSE & CMIE launch world's first high-frequency data on unemployment and consumer sentiments
09 <sup>th</sup> Jul 2015	BSE celebrated its 140 <sup>th</sup> Foundation Day
02 <sup>nd</sup> Jan 1986	S&P BSE SENSEX , country's first equity index launched (Base Year:1978-79 =100)
31 <sup>st</sup> Aug 1957	BSE granted permanent recognition under Securities Contracts (Regulation) Act (SCRA)
09 <sup>th</sup> Jul 1875	The Native Share & Stock Broker's Association formed







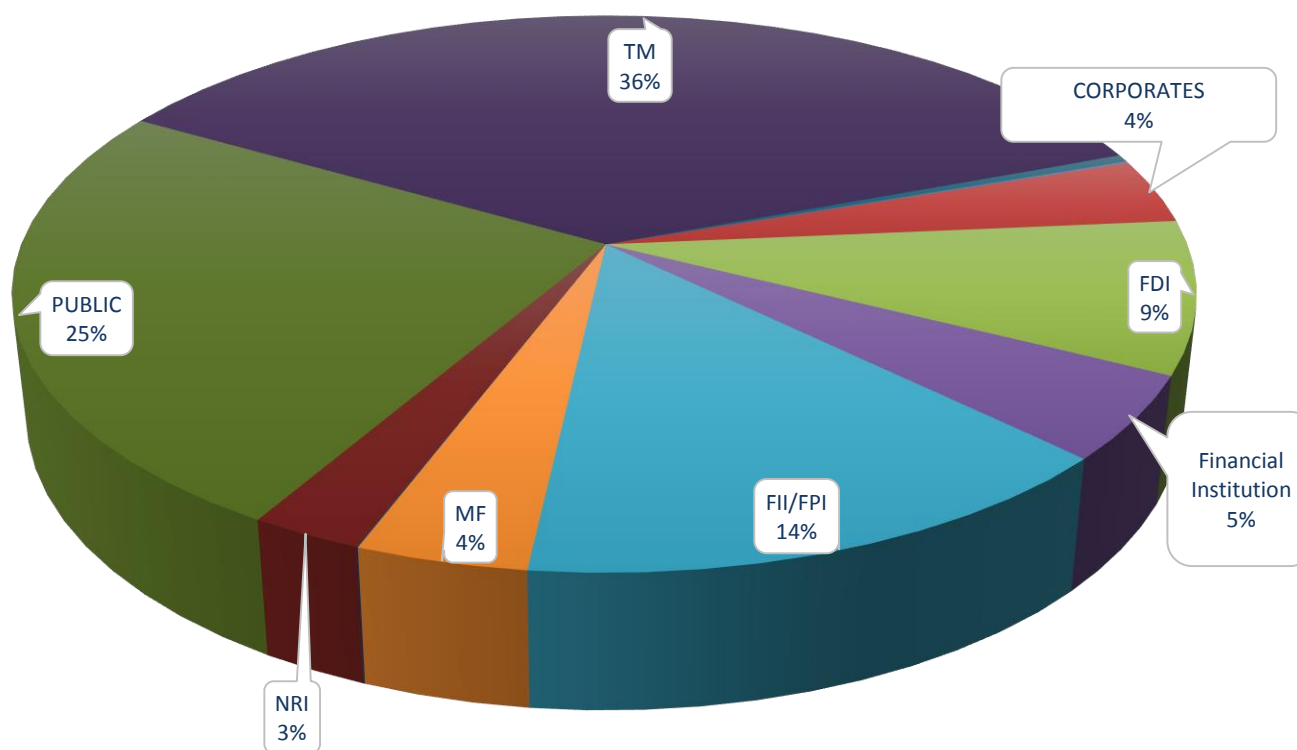




# Shareholding Pattern

Paid up Capital ₹ 10.74 crs. | Face Value per share ₹ 2/- each

## Shareholding Pattern



■ BANKS ■ CORPORATES ■ FDI ■ FI ■ FII/FPI ■ MF ■ NBFC ■ NRI ■ PUBLIC ■ TM ■ TRUSTS

### SOME KEY SHAREHOLDERS

#### Foreign Investors

Smallcap World Fund, Inc. 4.98%

#### International Exchanges

Deutsche Boerse AG 4.75%

#### Indian Financial Institutions / Banks \* / Insurance

State Bank of India 4.75%

Life Insurance Corporation of India 4.68%

#### Foreign Investors

Nomura India Investment Fund Mother Fund 2.79%

GKFF Ventures 2.29%

Caldwell India Holding Inc. 2.19%

Acacia Banyan Partners Limited 1.88%

#### Indian Investors

Siddharth Balachandran 1.85%

Bajaj Holdings & Investment Ltd. 1.40%


**\* All the 20 nationalized banks in India are our shareholders.**

As at March 3, 2017






# Experienced Board of Directors



Name	On BSE Board since	Bio
 <p><b>Sudhakar Rao</b> <i>Chairman and Public Interest Director</i></p>	2011	<ul style="list-style-type: none"> <li>Retired Indian Administrative Service ("IAS") Officer</li> <li>Prior to retirement, he was the Chief Secretary of the State Government of Karnataka</li> </ul>
 <p><b>Ashishkumar Manilal Chauhan</b> <i>MD and CEO</i></p>	2012	<ul style="list-style-type: none"> <li>Previously, Group Chief information officer, Reliance Industries Limited</li> <li>Chairperson of the board of governors of National Institute of Technology, Manipur</li> </ul>
 <p><b>Dharendra Swarup</b> <i>Public Interest Director</i></p>	2014	<ul style="list-style-type: none"> <li>Prior to joining BSE, Chairman of Pension Funds Regulatory and Development Authority</li> <li>Retired as Secretary (Expenditure &amp; Budget) to the Ministry of Finance, Government of India</li> </ul>
 <p><b>Kasturirangan Krishnaswamy</b> <i>Public Interest Director</i></p>	2015	<ul style="list-style-type: none"> <li>Chancellor of Jawaharlal Nehru University and Honorary Professor of Physics at the Physical Research Laboratory, Ahmedabad</li> <li>Former Member of Upper House (Rajya Sabha) of the Indian Parliament</li> <li>Former Chairman, Indian Space Research Organisation</li> </ul>
 <p><b>Sethurathnam Ravi</b> <i>Public Interest Director</i></p>	2016	<ul style="list-style-type: none"> <li>Promoter and Managing Partner of Ravi Rajan &amp; Co., Chartered Accountants</li> <li>Former Director of UCO Bank</li> </ul>

Name	On BSE Board since	Bio
 <p><b>Sumit Bose</b> <i>Public Interest Director</i></p>	2016	<ul style="list-style-type: none"> <li>Previously, member of the Expenditure Management Commission</li> <li>Former Union Finance Secretary and Revenue Secretary in the Ministry of Finance, Government of India</li> </ul>
 <p><b>Vikramajit Sen</b> <i>Public Interest Director</i></p>	2016	<ul style="list-style-type: none"> <li>Previously, acting Chief Justice – High Court of Karnataka and later appointed as Judge, Supreme Court of India</li> </ul>
 <p><b>Rajeshree Rajnikant Sabnavis</b> <i>Shareholder Director</i></p>	2015	<ul style="list-style-type: none"> <li>Part of the Direct Taxation Committee with the Bombay Chamber of Commerce where she is a co-Chairperson</li> </ul>
 <p><b>Sriprakash Kothari</b> <i>Shareholder Director</i></p>	2014	<ul style="list-style-type: none"> <li>Deputy Dean and Gordon Y Billard Professor of Accounting and Finance at Massachusetts Institute of Technology</li> </ul>
 <p><b>Thomas Lars Bendixen</b> <i>Shareholder Director</i></p>	2014	<ul style="list-style-type: none"> <li>Former staff member of the executive office of Eurex Frankfurt AG,</li> <li>Previously, Corporate Initiatives Officer at ISE Inc. in New York, Chief Executive Officer of OMX Transaction NA, and Chief Executive Officer of Swedgiro AB. and a corporate legal counsel of OMX AB in Stockholm</li> </ul>
 <p><b>Usha Sangwan</b> <i>Shareholder Director</i></p>	2015	<ul style="list-style-type: none"> <li>MD of Life Insurance Corporation of India</li> </ul>



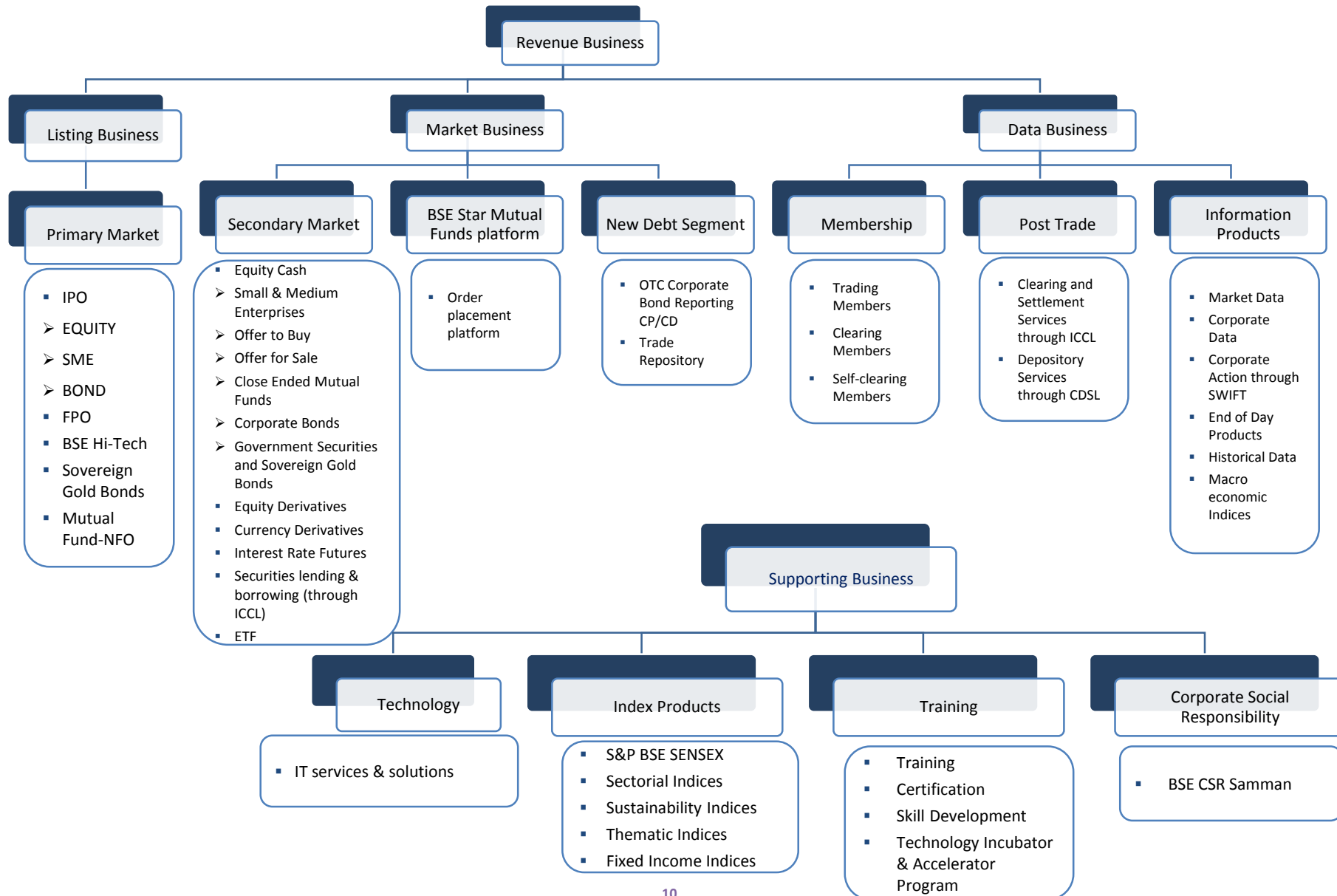
# Experienced Management Team

Name	Since	Bio
 <b>Ashishkumar Manilal Chauhan</b> <i>MD and CEO</i>	2009	<ul style="list-style-type: none"> <li>B Tech in Mechanical Engineering from IIT Bombay and a PGDM from IIM Kolkata</li> <li>He is one of the founders of India's National Stock Exchange ("NSE") where he worked from 1992 to 2000. He is best known as the father of modern financial derivatives in India due to his work at NSE</li> <li>Previously, Group Chief information officer, Reliance Industries Limited</li> </ul>
 <b>V. Balasubramaniam</b> <i>MD &amp; CEO (INX)</i>	2009	<ul style="list-style-type: none"> <li>MD &amp; CEO of India International Exchange IFSC Ltd. (India Inx). He was the erstwhile Chief Business Officer of BSE heading the business development encompassing Equities, Equity Derivatives, Debt, Interest Rate Futures, Currency Derivatives, Mutual Fund Distribution platform and SME platform.</li> <li>Prior to joining BSE, employed with Mukand Limited, Cadbury India Limited, Nuclear Power Corporation and Reliance Group</li> </ul>
 <b>Nehal Vora</b> <i>Chief Regulatory Officer</i>	2009	<ul style="list-style-type: none"> <li>Prior to joining BSE, worked with various departments in SEBI</li> <li>More than 19 years of experience in the area of legal and compliance. He has previously worked at the Securities and Exchange Board of India (SEBI) for 10 years and as Director, Law &amp; Compliance at DSP Merrill Lynch Ltd heading Broking and Investment Banking Compliance</li> </ul>

Name	Since	Bio
 <b>Nayan Mehta</b> <i>Chief Financial Officer</i>	2012	<ul style="list-style-type: none"> <li>Prior to joining BSE, Credit Analysis &amp; Research Ltd. as Joint General Manager (Accounts), CFO at Multi Commodity Exchange of India Limited and has also worked at the National Stock Exchange.</li> <li>Represents BSE as the Senior Vice Chairman on the Executive Board of the South Asian Federation of Exchanges.</li> <li>He represents BSE on the Boards of group companies and joint ventures of BSE and as a member of the Qualified Audit Review Committee of SEBI.</li> </ul>
 <b>Neeraj Kulshrestha</b> <i>Chief of Business Operations</i>	2015	<ul style="list-style-type: none"> <li>Prior to BSE he was an Executive Director in Morgan Stanley India for 10 years. He was earlier with National Stock Exchange and has managed various functions like Trading Operations, Inspection and Investigation, Futures and Options Clearing and Trading. He was also the CEO of India Index Services Ltd. and Dotex International Ltd</li> <li>Heads Trading, Listing, Membership Operations and listing sales.</li> <li>27 year experience in Capital markets, which includes Securities Markets and General Insurance.</li> </ul>
 <b>Kersi Tavadia</b> <i>Chief Information Officer</i>	2010	<ul style="list-style-type: none"> <li>Prior to joining BSE, employed with Log-in Utility and InvestSmart Financial Services Limited</li> <li>30 years of experience in the area of Application Systems/ IT Infrastructure development and management, managing all aspects of IT operations in Financial Services, Capital markets and manufacturing companies. He has played a leading role in transforming BSE into the fastest exchange in the country</li> </ul>



# Diversified Lines of Business





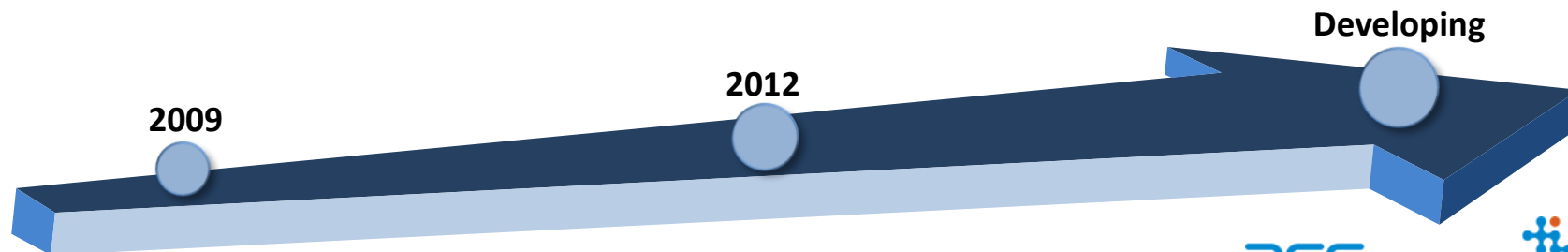
## Global Rankings

Measure	Rank	BSE
Currency Options	2 <sup>nd</sup>	49 Million contracts (Approx.)
Currency Futures	2 <sup>nd</sup>	33 Million contracts (Approx.)
Market Capitalisation	11 <sup>th</sup>	1.60 USD Trillion
No. Of Equity Trades	9 <sup>th</sup>	27 Million Electronic Book Trades (Approx.)



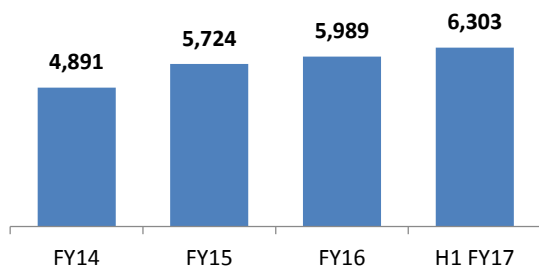
# Track Record of Innovation

Built brand by historically anticipating and responding to investor's needs through the introduction of new products and services



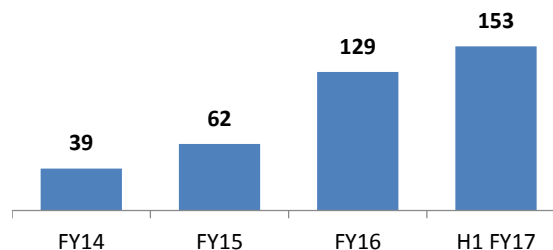
- Online platform for the placement of orders and redemptions of units in mutual funds

Number of Mutual Fund Schemes



- Platform for the listing and trading in shares of small and medium enterprises ("SMEs")

Number of Equity Listed Companies on BSE SME and SME ITP<sup>1</sup>



- Platform for the listing and trading in shares of young, fast-growing companies

## BRICS Exchange Alliance

- Member whereby leading exchange in Brazil, Russia, India, China and South Africa cross-list futures products based on the flagship indices of each of the exchanges



- ICCL entered into an agreement whereby its members can manage margin requirements by placing collateral with Clearstream's Global Liquidity Hub



- MoU to provide collateral management solutions to enable investors to provide collateral which is traded outside of India

1. ITP: Institutional Trading Platform.



## **2. Business Model and Highlights**





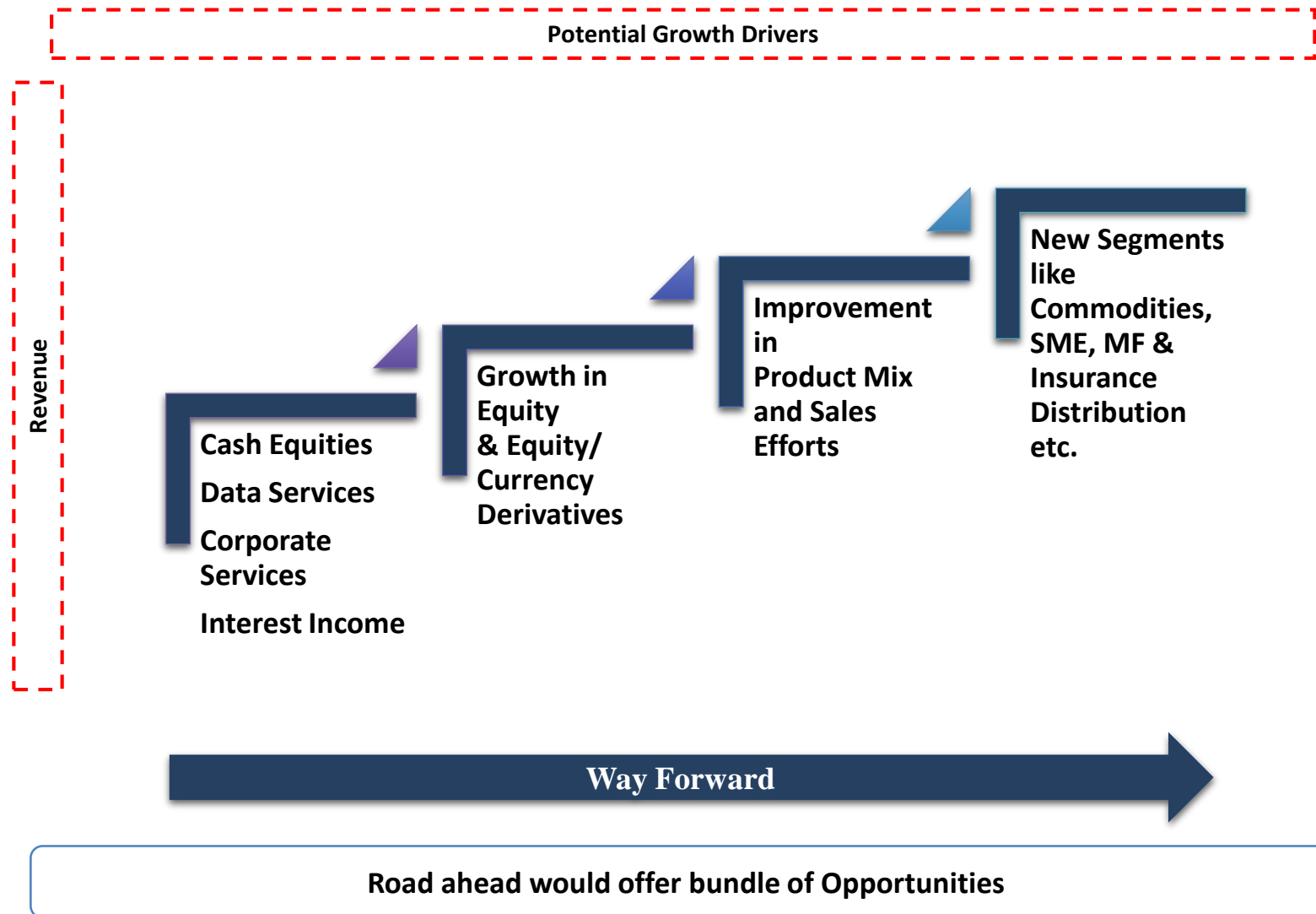
# Integrated Business Model

- Multiple contact points with members and market participants provides the ability to generate revenue from multiple levels of the business





# Roadmap to Increasing Revenue







**Listing Business**





Mobilization of Funds:  
62% Market Share

Bidding Statistics for  
Debt – 87% Market  
Share

Bidding Statistics for  
Equity IPO – 53%  
Market Share

Designated Exchange  
for Equity IPO  
No. of issues \* - 25

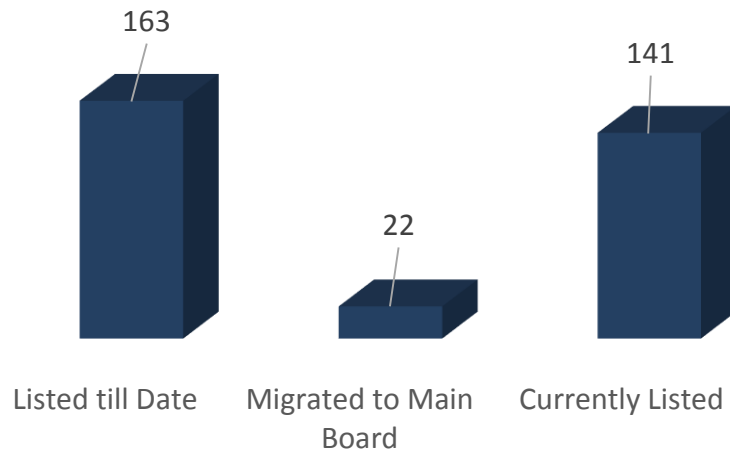
- BSE is the preferred choice for listing Privately Placed Debt Instruments (PPDI). In FY15-16, BSE has listed 1760 Instruments vis-a-vis 1339 on other Exchange. In F.Y. 2016-17 till January 2017, Exchange has listed 1970 instruments with a market cap of ₹ 3,30,736.04 crores *vis a vis* 1011 instruments on the other Exchange.
- In F.Y 2015-16, 20 Debt Public issues have tapped the market. BSE is the Designated Stock Exchange for 20 issues with 15 issues being listed only on BSE.
- In F.Y 2016-17 till January 2017, 15 Debt Public issues have tapped the market and BSE is the Designated Stock Exchange for the 13 public issues.

**5697\***  
**Listed entities**

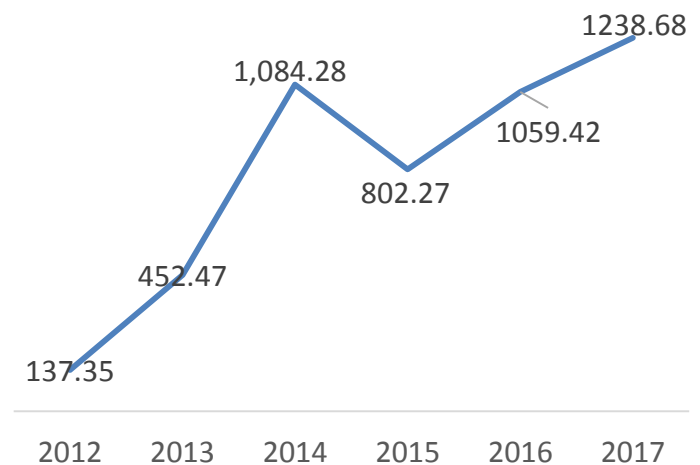
**Largest on any exchange  
in the world**



## Companies on BSE SME Platform



## SME IPO INDEX



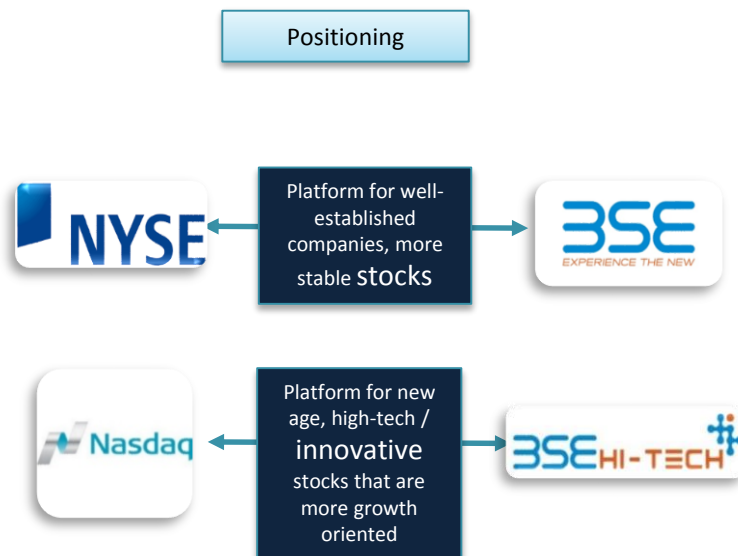
- BSE is the first stock exchange in India to receive approval from SEBI on 26th September 2011 to launch SME Platform. SME IPO Index was launched on 14th December, 2012 aimed at tracking the companies listed on SME platform with a Base value of 100. As on 1st February, 2017 its value was 1,238.68.
- The Platform facilitates capital raising by small and medium enterprises including start-up companies which are in their early stages of growth. It also provides easier entry and exit options for informed investors like angel investors, VCFs and PEs etc. and equity financing which lowers the debt burden leading to lower financing cost and healthier balance sheet.
- Total Market Capitalization of 141 companies – ₹ 10,259.30 Crs
- Total Market Capitalization of 22 companies Migrated to main Board – ₹ 9387.14 Crs.





# BSE HI-TECH

BSE Hi-Tech is a platform that enables a young fast growing company to list on an exchange with much easier criteria and gain access to capital from a larger base of sophisticated investors.



## THE COMPANY ADVANTAGE

- Increased visibility with brand creation, research coverage and media coverage
- Access to funds through well-established platform and mechanism
- High credibility amongst all stakeholders
- Listing entails robust corporate governance and internal controls and systems
- Sophisticated investors enabling better valuations
- Companies can attract global investors as FPIs
- Merger & acquisitions made easier and swifter with company's stock used as currency
- Compensating employees without affecting cash flows through ESOPs becomes a powerful tool to attract and retain

## THE INVESTOR ADVANTAGE

- A credible exit route for early investors
- VC/PE investors can churn their portfolio
- The platform will offer a new asset class to investors
- Listing leads to better and timely disclosures and thus also protects the interest of the investors





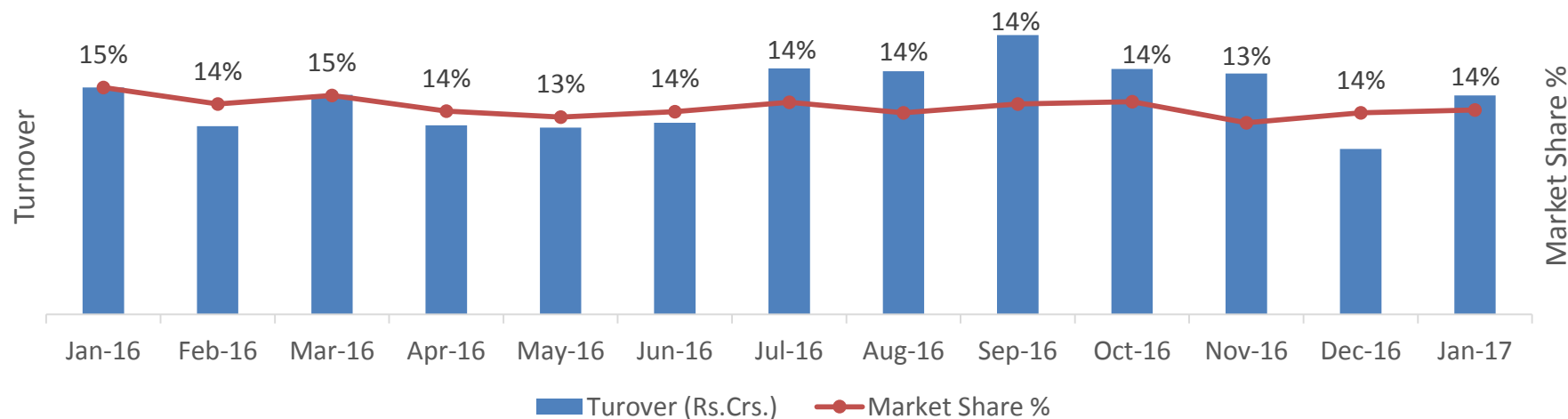
**Market Business**



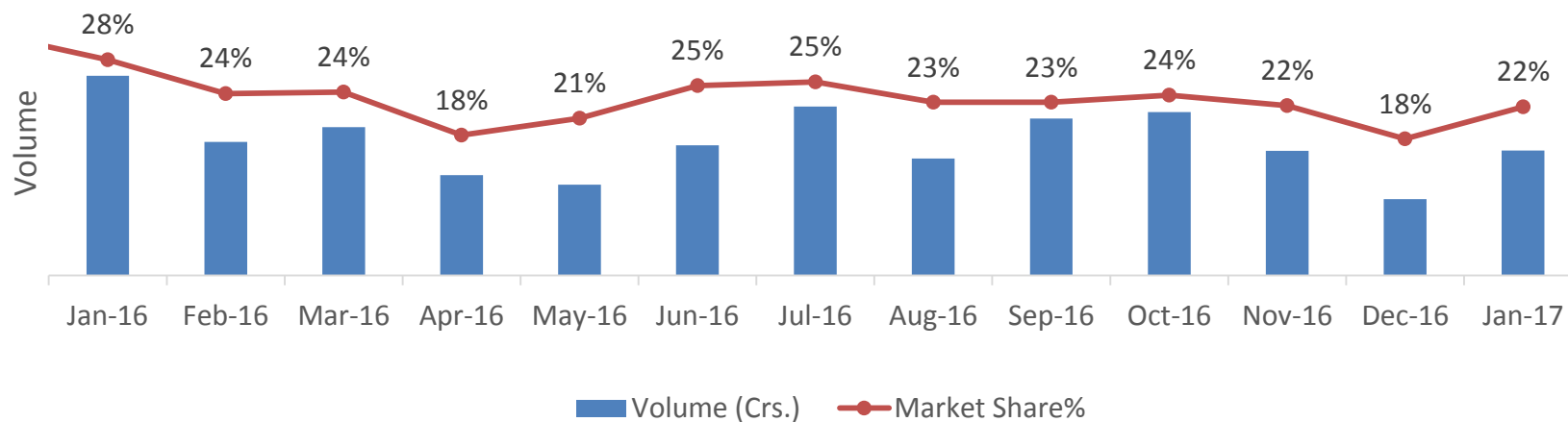


# Equity Markets-Performance

Avg Equity Turnover(₹ Crs.) and Market Share (%)

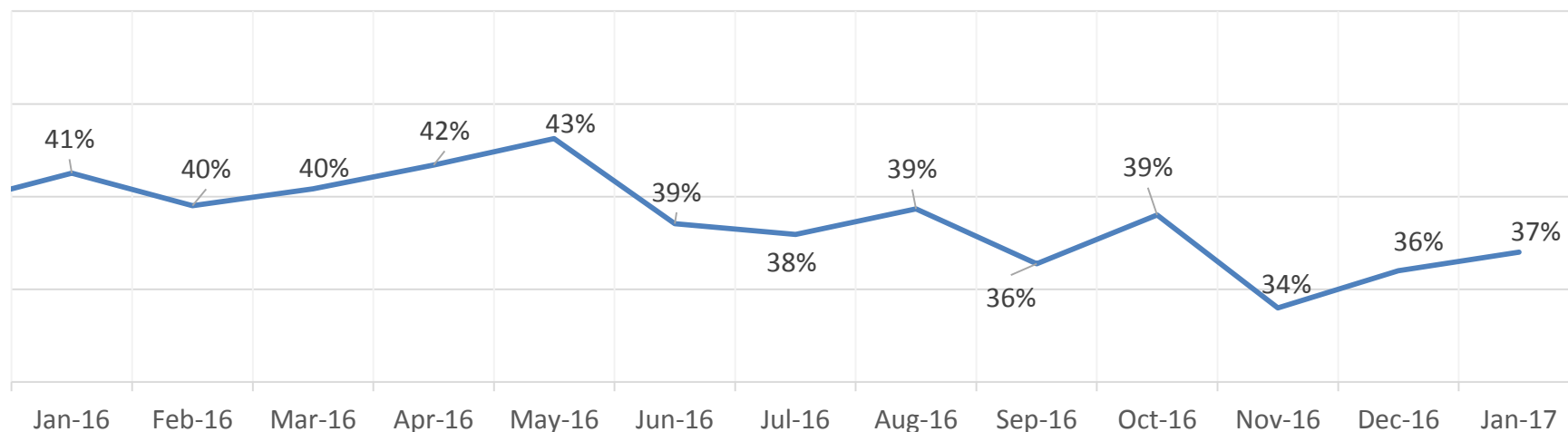


Avg Equity Volume (No. Of Shares Traded in Crs.) & Market Share (%)





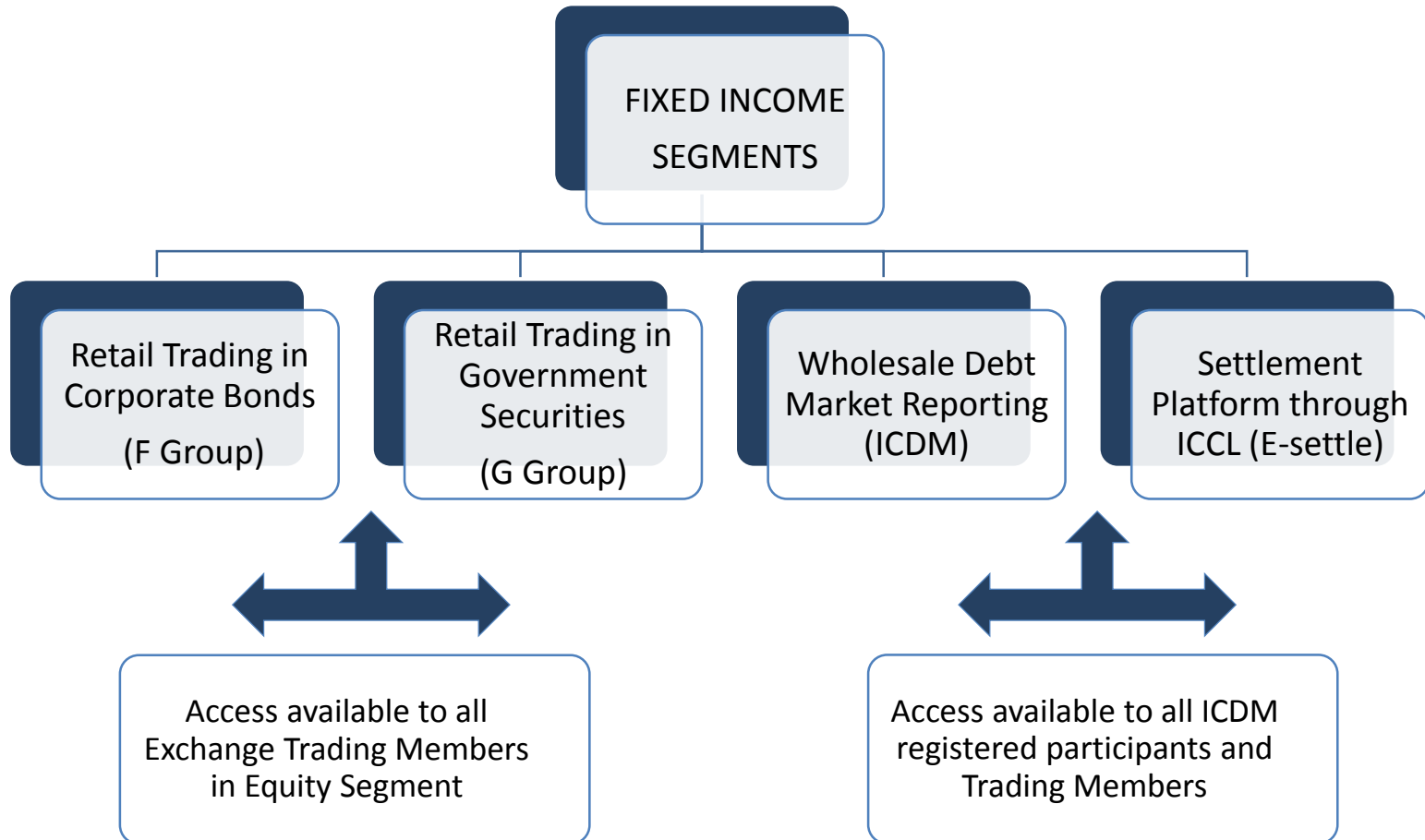
Avg M-Share%



## Competitive Advantage

Currency Future		BSE	NSE	MSEI
Exchange Transaction Charges (₹ / Per Cr.)	Futures	15	110	105
Cost Saving @ BSE up to		86.36%		
Exchange Transaction Charges (₹ / Per Cr.)	Options	1000	4000	1000
Cost Saving @ BSE up to		75.00%		







# Fixed Income Segments Performance

Retail trading in Corporate Bonds (F group)	FY2014-15	FY 2015-16	FY 2016 -17*
Turnover (₹ Crore)	3,756	4,608	4311
Number of members/participants	1,353	1,358	1,369

Wholesale Segment Reporting of Corporate Bonds (ICDM)	FY2014-2015	FY 2015-16	FY 2016 -17*
Turnover (₹ Crore)	2,07,652	14,841	17,335
Number of members/participants	1,338	1,358	1,376

Wholesale Segment Reporting of Government Bonds	FY2014-2015	FY 2015-16	FY 2016 -17*
Turnover (₹ Crore)	2,21,233	2,27,124	1,60,770
Number of members/participants	130	130	130

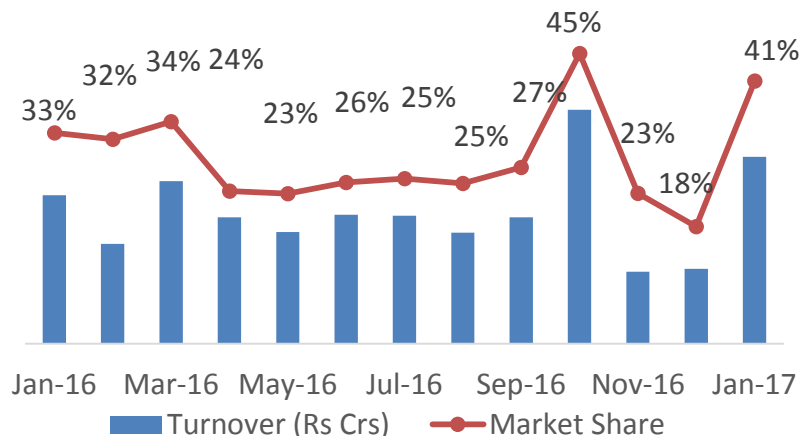
Settlement of Corporate Bonds and CP / CD (E-Settle)	FY2014-2015	FY 2015-16	FY 2016 -17*
Settlement of CPs / CDs. (₹ Crore)	4,63,134	34,677	35,971
Number of members/participants	1,338	1,358	1,376

- BSE has maintained the dominant market share in Retail trading of Corporate Bonds. BSE Market share was 63.7% in FY 14-15 and 62% in FY15-16.
- Market share for January 2017 was 62%
- Market Share for reporting volumes in Wholesale Debt Market of Government Bonds in January 2017 was 41 %.
- Settlement volumes of Corporate bonds for FY 15-16 is ₹ 57,874 Crores , for January 17 ₹ 12,710 Crores

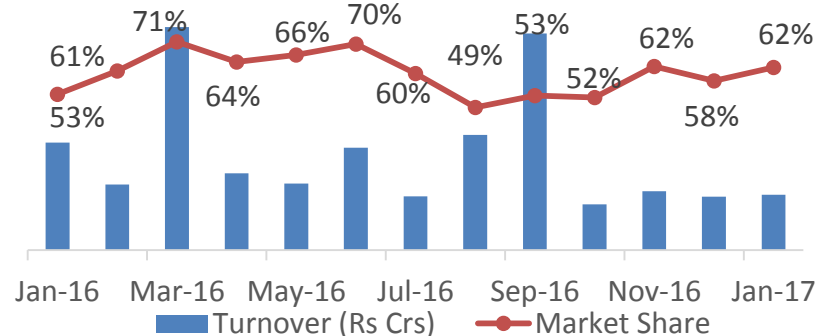


# Fixed Income Segments Performance

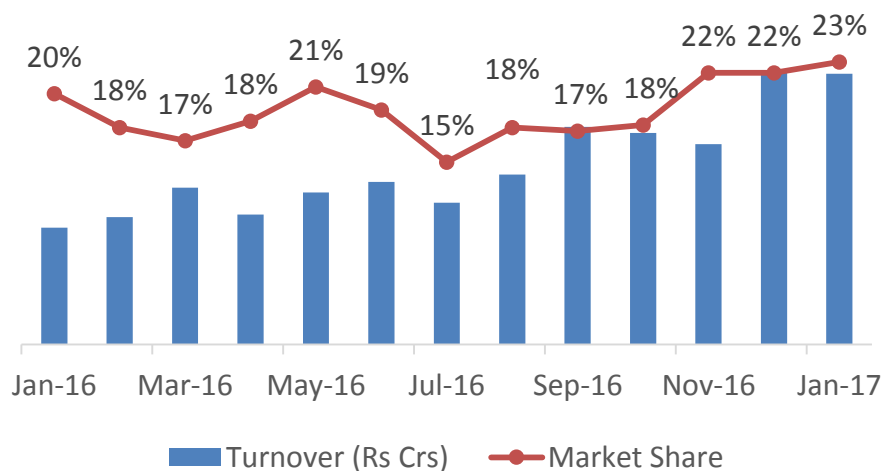
G-Sec Reporting



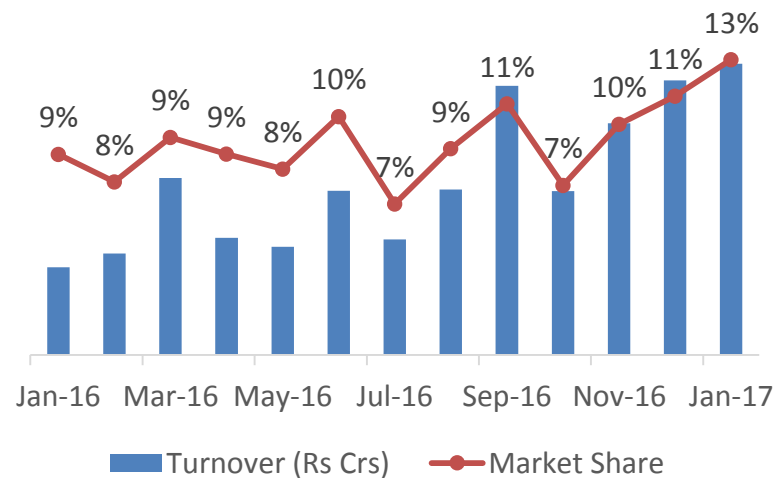
F-Group



Corporate Bond Reporting

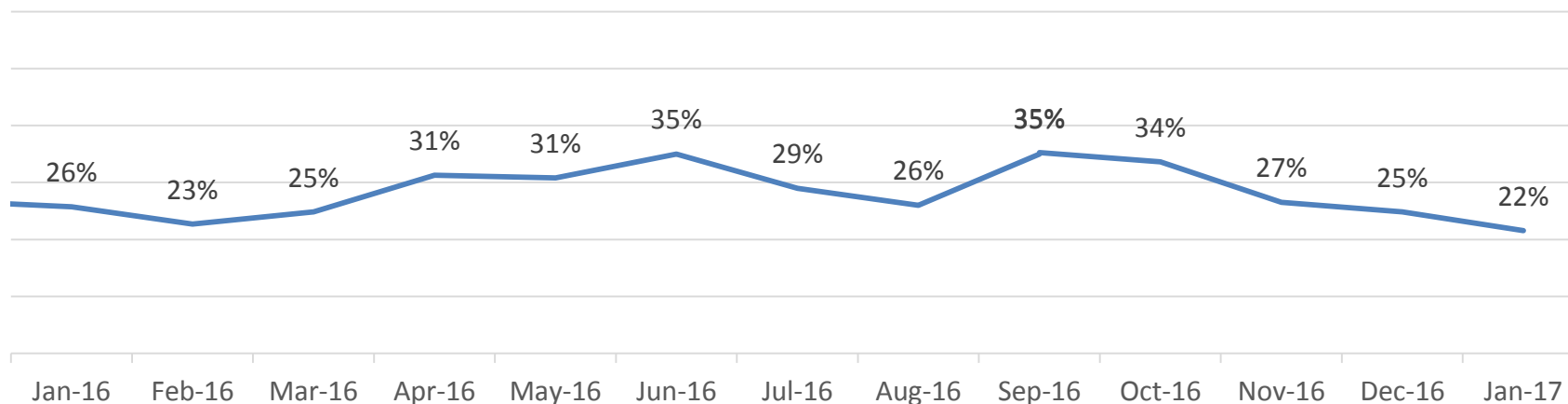


ICCL Settlement



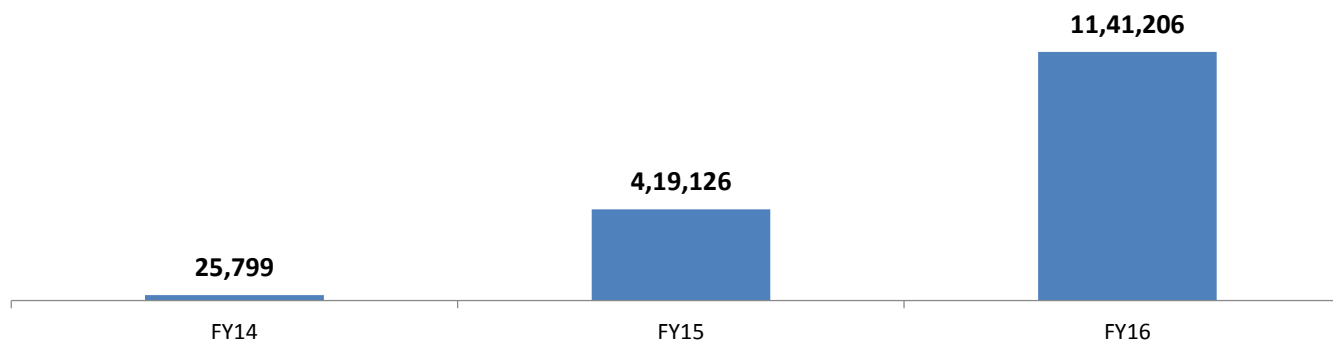


Average Market Share %



*Our Growth in Interest rate derivatives is reflected below :*

Interest Rate Futures – Turnover





No. of orders:

Jan-17 : 6,49,896

62% Market Share

Value:

₹ 5632 Crores

71% Market Share

## PLATFORM FEATURES

- Completely digital- Demat and Non Demat /Mutual Fund transactions, while facilitating the benefits of Physical mode
- 24x7 order acceptance
- SGB enabled for MFDs
- 6 day order holding facility
- Paperless SIP
- Any day STP and SWP

## CONNECTIVITY & USPs

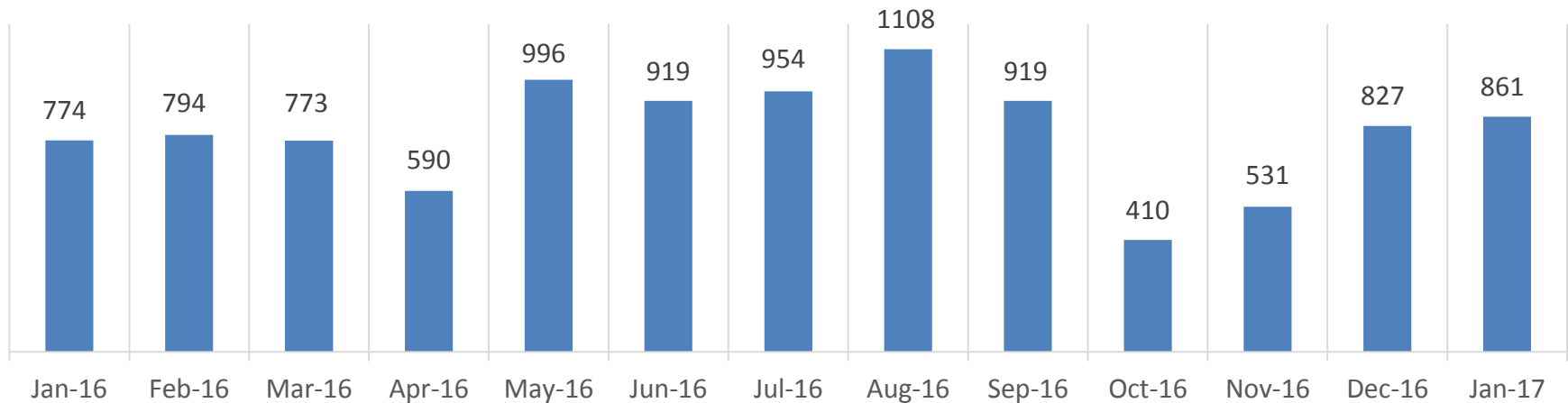
- Unique overnight investments framework
- Multi-mode of platform access
- Completely digital and REAL Time Investors registration / onboarding
- Widely accepted by NDs / Custodians / Brokers / IFA Platform / New age Digital Distributors / IFAs,
- E-submission and online MFD Registration

## PLATFORM STATISTICS

- Over 33 Lakh orders aggregating to Rs 44,235 Crs. has been transitioned on BSE StAR MF Platform during FY 15-16
- Market Share 85% in FY'15-16 , Over 400000 SIPs/XSIPs registered , Market Share 90% in FY 16-17 .
- Largest number of transaction executed in our platform



Turnover (₹ Crs.)



Exchange traded fund is a security that tracks an index, a commodity or a sector like an index fund or a sectoral fund but trades like a stock on an exchange

It is similar to a close ended mutual fund listed on stock exchanges

BSE in its effort to bring greater participation for retail investors in the Indian landscape has tied up with market makers for ETF's

41 ETF listings on BSE as on December 2016\*



# Offer for Sale and Offer to Buy

## Offer for Sale

152

Designated Exchanges for OFS  
No of Issues\*

79%

Bid Share % \*

45%

Market share % on Amount Raised \*

■ BSE launched the Offer For Sale (OFS) module on iBBS (Internet based book building System) platform on 24th February, 2012.

■ Since then ,164 companies have completed OFS issues of which BSE was appointed the Designated Stock Exchange in 139 issues. Over 700 members have participated in OFS via BSE platform.

■ The process has helped the Government to raise over ₹ 84,084 crore through divestment of holdings in PSUs.

103 OFS  
issues were  
conducted  
Exclusively  
on BSE  
platform

90 OTB  
issues were  
conducted  
exclusively  
on BSE  
platform

## Offer to Buy

98

Designated Exchanges for OFS  
No of Issues\*

90%

Bid Share % \*

■ An Offer to Buy is a new mechanism to facilitate tendering of shares by the shareholders and settlement of the same, through the stock exchange in the form of a separate window (the “Acquisition Window”).

■ BSE launched the Offer to Buy (OTB) module on iBBS (Internet based book building System) platform on 1st July, 2015.

■ Till January’ 17, 104 companies have completed their OTB issues of which BSE was appointed the Designated Stock Exchange in 98 OTB issues.

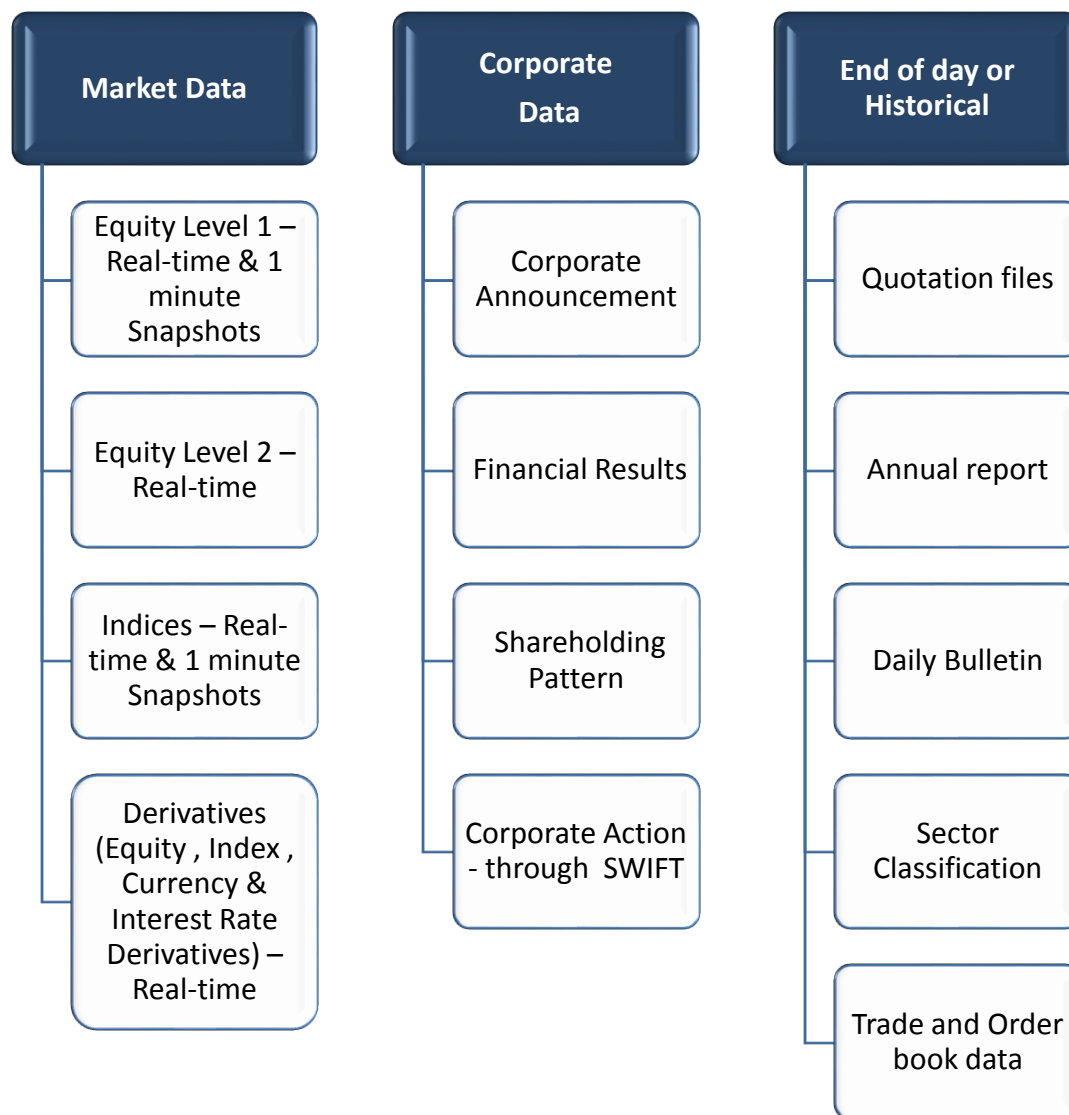




**Data Business**











## **Relationship with Market Participants**



# Active Relationship with Market Participants

- Consults actively with members in order to remain relevant and attractive to users

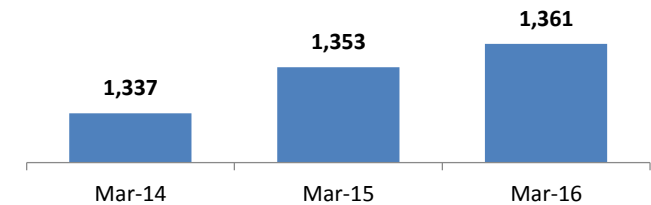
## Investor Education Programs

Jointly established a series of investor education programs with members and broker associations to have open communication with members and **increase exposure to investors**

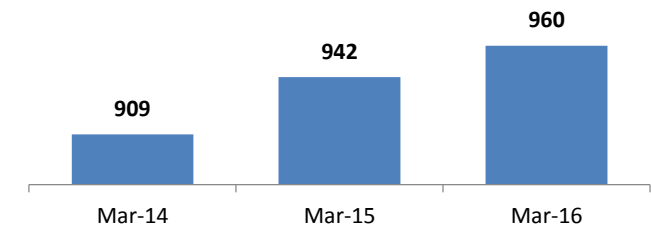
## Promote Algorithmic Traders

**BSE bears** software license **costs** for algorithmic trading and market access, infrastructure costs on co-location rack space, among other costs

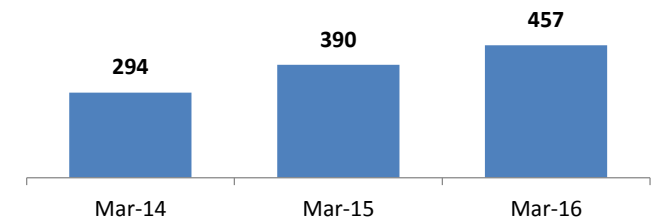
Equity Cash – Self-clearing Members



Equity Derivatives – Trading Members



Currency Derivatives – Trading Members





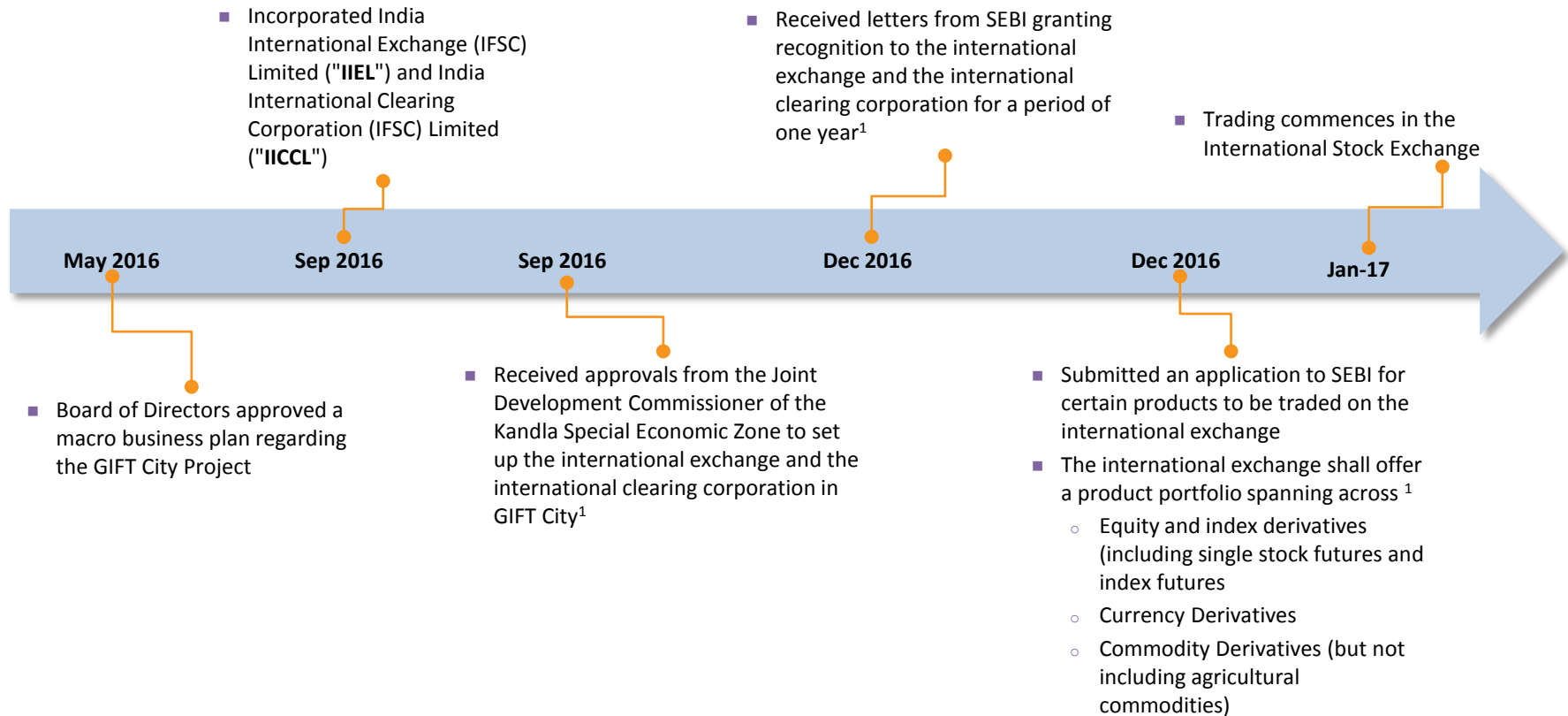


## **International Exchange and Clearing Corporation in GIFT City**



# International Exchange in GIFT City

- Offer electronic trading platform in India's first international financial services centre



1. Subject to compliance with conditions specified in such approvals.



### **3. State-of-the-art Infrastructure & Technology**





# State-of-the-art Infrastructure & Technology

- Technology is a key component of operations and business strategy and we regard it as an important component of success

Entered into strategic technology alliance with Eurex in Mar 2013, so as to deploy the Eurex new generation trading system, the **T7, for trading in various segments**

- **Screen based** trading system
- Available under license to members of the exchange as well as their clients
- **All equity cash, equity derivatives and currency derivatives trades are executed on BOLT+**
- Migrated various segments onto BOLT+
  - Currency derivatives: Nov 2013
  - Equity Derivatives: Feb 2014
  - Equity Cash: Apr 2014

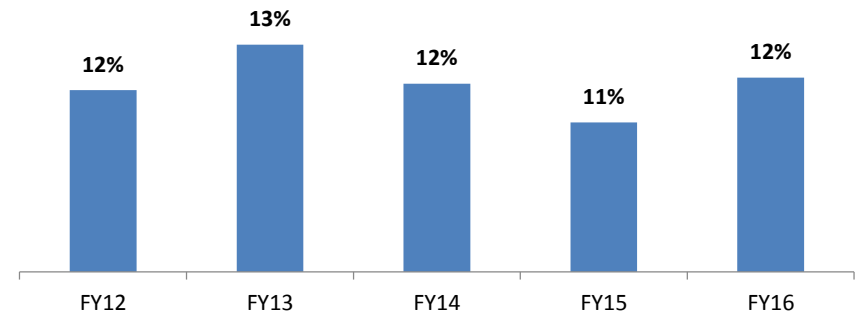
All platforms are **interconnected** and operated through the same network and workstation, which provides market participants a **seamless experience and efficient operation**

**Real-time risk management system** that conducts real-time calculations of members' margins and limits

**Co-location services** and high-speed Ethernet connections offered to market participants to enable low latency trading

Standard Portfolio Analysis of Risk ("**SPAN**") margin system, an industry-standard margin system, used by over 30 exchanges and clearing organizations worldwide, to **evaluate the overall risk in a portfolio and accurately match margins to risk**

## Technology Spend as % of Total Revenue<sup>1</sup>



1. Includes Computer Technology Related Expenses and Spend on Technology Programme.



# BOLT PLUS ON WEB(BoW)

## Application for Desktop & Mobile

- Web links for 100 + Visual Operational Help Video's
- Tip of the Day prompt on login – notifying what all can be done
- Member Branding through EXE
- Bolt + on Web (BoW) – FREE OF COST FOR ALL MEMBER
- Trade commencement in one day
- No Extra hardware like TAP-IML server required.



## One Window with Multiple Utilities

Trading	Segments	For	Connectivity
<ul style="list-style-type: none"> <li>• BSE</li> <li>• NSE</li> <li>• MCX</li> <li>• NCDEX</li> </ul>	<ul style="list-style-type: none"> <li>• Equity – F&amp;O – Currency – IRF - OFS – Mutual Fund – SLB – Debt – ITP</li> <li>• Equity – F&amp;O – Currency</li> <li>• Commodities</li> <li>• Commodities</li> </ul>	<ul style="list-style-type: none"> <li>• Dealers</li> <li>• Investors</li> <li>• Admin for HO</li> <li>• Multiple Mini Admin for Regions &amp; Branches</li> <li>• RMS</li> </ul>	<ul style="list-style-type: none"> <li>• Leased Line</li> <li>• Internet</li> </ul>

<ul style="list-style-type: none"> <li>• Dual Market Depth Display</li> <li>• AMO – After Market Orders</li> <li>• Time base Square up for Intraday transactions and One click square up on M2M Alert.</li> <li>• Corporate Information Analysis for                             <ul style="list-style-type: none"> <li>➤ Bonus, Rights, Dividend, Board Meetings, Scheme</li> </ul> </li> <li>• Top Gainers / Top Losers</li> <li>• Most Active by VOLUME / VALUE</li> </ul>	<ul style="list-style-type: none"> <li>• User define short keys - predefine Key Mapping Styles for ODIN-BOLT</li> <li>• Auto upgrade notification</li> <li>• Easy mechanism to activate locked User ID (just fetch Password)</li> <li>• Market Movement with chart with user defined time frame</li> <li>• NEWS Plus with RSS feeds and Twitter</li> </ul>
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# New Trading Architecture – BOLT

## Bolt Plus Live

- Products available for trading
  - Currency Derivatives – 29th November, 2013
  - Interest Rates Futures - 28th January, 2014
  - Equity Derivatives - 10th February, 2014
  - Equity – 7th April, 2014

## Member Access

- API based access
  - Through existing IML API
  - Advanced High performance APIs (ETI, MDI/EMDI)

## Peripheral Systems connecting to BOLT Plus

- Reference Data, Risk Management, Surveillance, Clearing & Settlement, Data Warehouse

## Performance Testing & Benchmarking

- Latency : < 6  $\mu$ s (Gateway in to Gateway out)
  - Network Latency for Colo Users: 18  $\mu$ s
  - Throughput Capacity: 5 lacs order per second
  - Scalability: Horizontally scalable by adding partitions

## Fastest Co-location

- BSE is the fastest Exchange in the world with a speed of 6 microseconds.
- BSE provides the fastest Colocation service in India with round trip network latency of less than 20 microseconds.
- At BSE Colocation, Exchange response for an order has round trip latency of less than 30 microseconds.
- Market access across Equity, Equity Derivatives and Currency Derivatives segments.
- Extension of Precision Time Protocol (PTP) from BSE's Grandmaster clock to the Colocation enables members to synchronize with the Exchange clock.
- Equitable distribution of market data to all members by usage of same length cables for all members.
- Full order book (EOBI) broadcast is provided to Colocation members.
- State-of-the-art Data Centre services from NTT – Netmagic
- Low latency 10 Gbps Solarflare NIC cards (Model No. : SFN7322F) will be provided to members by BSE.



## 4. Growth Strategy





## 1 Strengthen Position in India and Strategic Alliances

- S&P Dow Jones Indices: Grow index business
- Deutsche Boerse: Market BSE market data / information to international clients, and collaborate on product development and innovation
- BRICS Exchanges Alliance: Leading exchange in Brazil, Russia, India, China and South Africa to cross-list futures products based on the flagship indices of each of the other exchanges

## 2 Diversify Product Offering

- Offer indices and index-based products
- Initiatives such as (a) exchange in precious metals, gems and other related goods with the India Bullion and Jewellers Association, (b) consumer sentiment index and (c) high-frequency data on unemployment in India

## 3 International Exchange – GIFT City

- Offer electronic trading platform in India's first international financial services centre for
  - Indian companies to issue foreign currency denominated bonds
  - Indian start-ups to raise equity from foreign investors
  - Companies incorporated outside India to raise equity in foreign currencies

## 4 Maintain Best-in-class Platform Infrastructure

- Continue to allocate substantial resources towards upgrading IT systems to improve capacity, lower latency, improve market efficiency, transparency, etc.
- Moving key systems to cloud-based platforms to leverage infrastructure sharing, service utilization and host of other cloud-based facilities
- Improving cybersecurity framework and information security management systems further

## 5 Deepen Derivative Products Penetration

- Focus on currency derivatives and further increase market share through new product introductions such as index contracts, inter-currency spread contracts and cross currency derivatives
- Looking to offer commodity derivatives product offerings

## 6 Underpenetrated Indian Markets

- Undertake outreach and advertising programs to communicate benefits of investing in securities and to facilitate an "equity culture" in India
- Mobile phone enabled trading platform targeted towards the growing number of mobile phone users in India



## 5. Performance Highlights





# Financial Snapshot – Consolidated\*

Particulars	FY 2015-16 (₹ Mn)	FY 2014-15 (₹ Mn)	FY 2013-14 (₹ Mn)	FY 2012-13 (₹ Mn)	FY 2011-12 (₹ Mn)
Total Income	6,583	6,248	5,298	5,529	5,787
Total Expenses (excl. Depreciation & Interest)	3,578	3,194	2,424	2,421	2,188
EBITDA	3,005	3,053	2,875	3,109	3,598
Depreciation & Interest	624	594	327	308	354
Profit before Exceptional / Extra-ordinary items	2,382	2,459	2,547	2,801	3,244
Less : LEIPs	172	343	613	955	605
Less : Contribution to Core SGF (25% Trf of profit)	514	0	0	0	0
Less : Other Exceptional items / Extra-ordinary items	(221)	165	(6)	29	0
Profit Before Tax	1,916	1,951	1,940	1,817	2,639
Less : Tax Provision	324	438	340	377	643
Net Profit Before Share Of Minority & Associate	1,592	1,514	1,600	1,440	1,997
Less : Minority Interest & Share of Associates	366	216	248	252	272
Net Profit for the Period / year	1,225	1,297	1,352	1,188	1,724
EBITDA Margin	48%	53%	54%	56%	62%
Net Margin	19%	21%	26%	21%	30%
<b>Book Value Per Share (in ₹)</b>	<b>224</b>	<b>225</b>	<b>224</b>	<b>216</b>	<b>210</b>

\* As per restated financial statements



# Financial Snapshot – Standalone\*

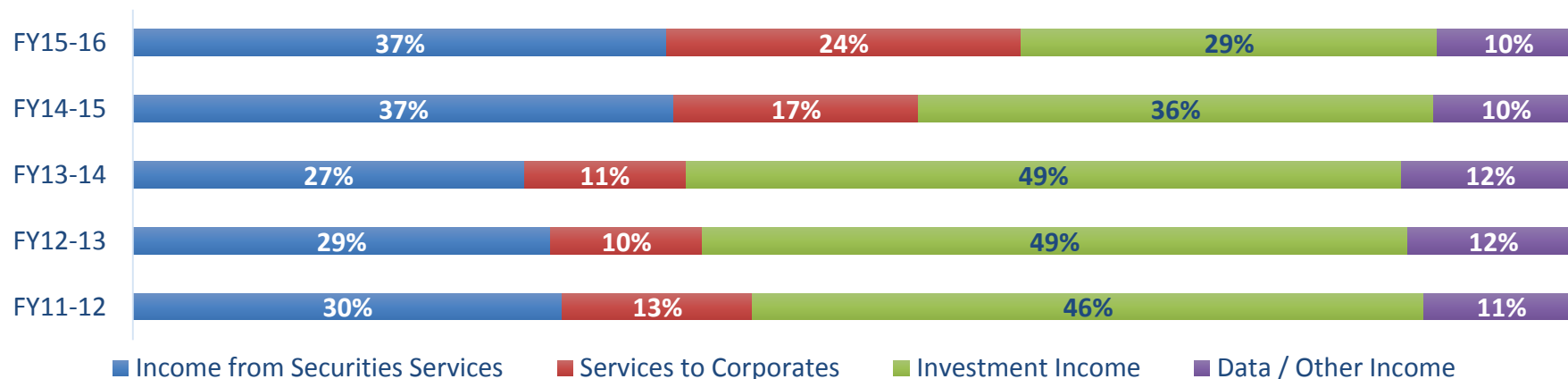
Particulars	FY 2015-16 (₹ Mn)	FY 2014-15 (₹ Mn)	FY 2013-14 (₹ Mn)	FY 2012-13 (₹ Mn)	FY 2011-12 (₹ Mn)
Total Income	5,159	4,392	3,328	3,389	4,028
Total Expenses (excl. Depreciation & Interest)	2,593	2,478	1,659	1,724	1,649
EBITDA	2,566	1,914	1,670	1,665	2,379
Depreciation & Interest	565	524	267	252	307
Profit before Exceptional / Extra-ordinary items	2,001	1,390	1,402	1,413	2,072
Less : LEIPs	172	343	613	955	605
Less : Contribution to Core SGF (25% Trf of profit)	514	0	0	0	0
Less : Other Exceptional items / Extra-ordinary items	46	150	0	0	0
Profit Before Tax	1,268	898	789	458	1,467
Less : Tax Provision	(51)	141	42	59	351
Net Profit for the Period / year	1,319	757	748	398	1,116
EBITDA Margin	50%	44%	50%	49%	59%
Net Margin	26%	17%	22%	12%	28%
<b>Book Value Per Share (in ₹)</b>	<b>206</b>	<b>202</b>	<b>197</b>	<b>194</b>	<b>195</b>

\* As per restated financial statements



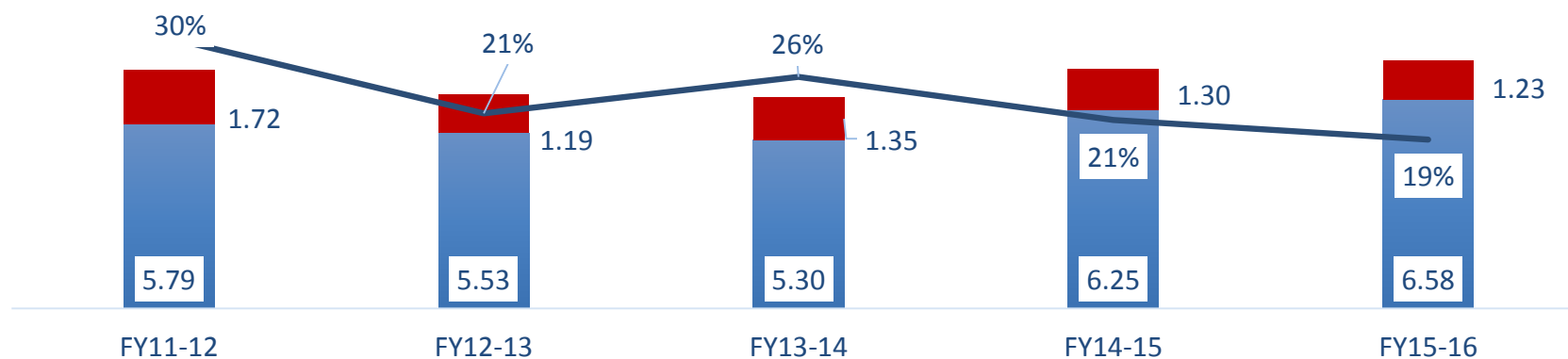
# Financial Overview – Consolidated\*

## Composition of Total Income



## Key Performance Indicators

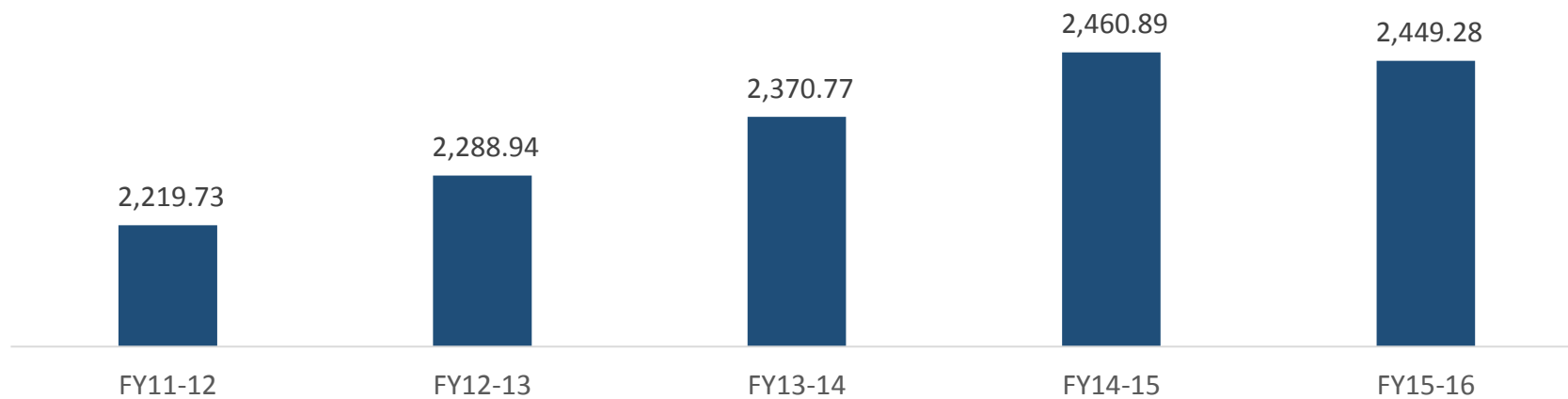
(₹ in Billion)



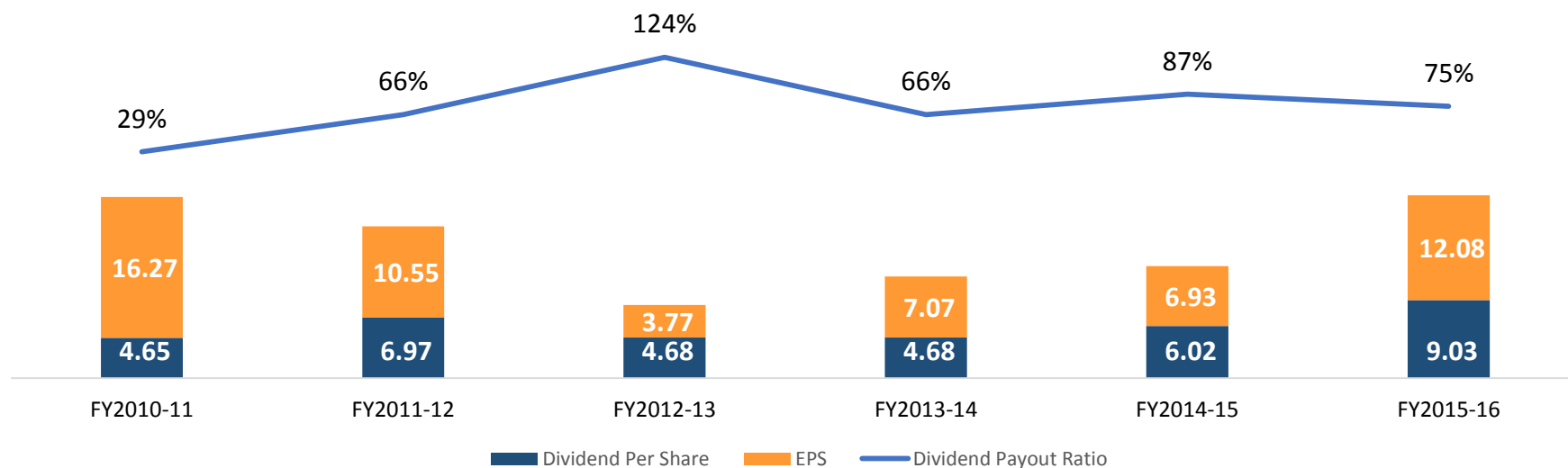


# Financial Overview

## Consolidated Net-worth (₹ in Crore)\*



## Dividend (Incl. Tax) Pay-out (Standalone Basis)\*

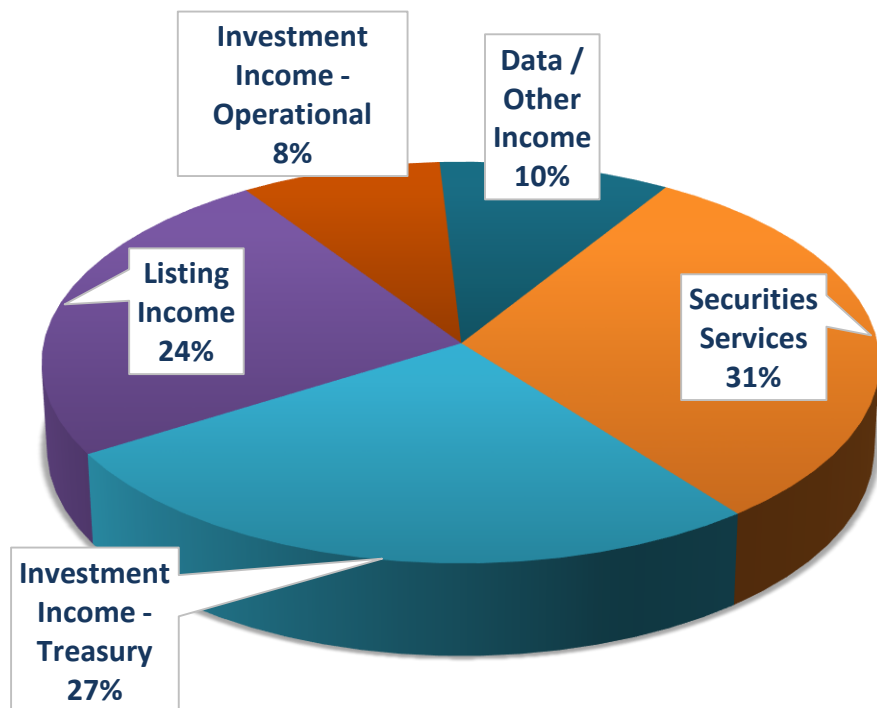


\* As per restated financial statements

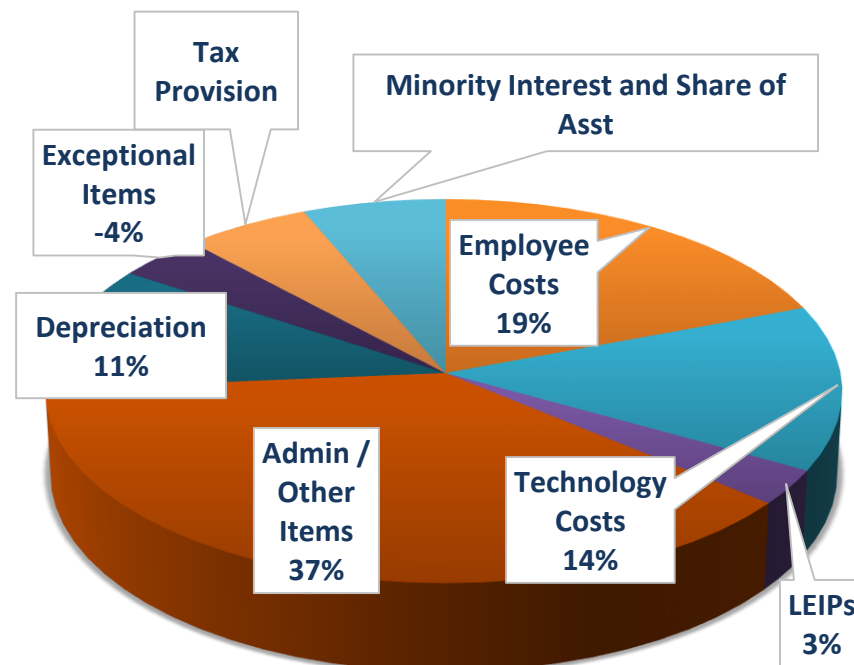


# BSE Revenue & Expenditure Breakup (Consolidated) - FY15-16

## Total Revenue Breakup



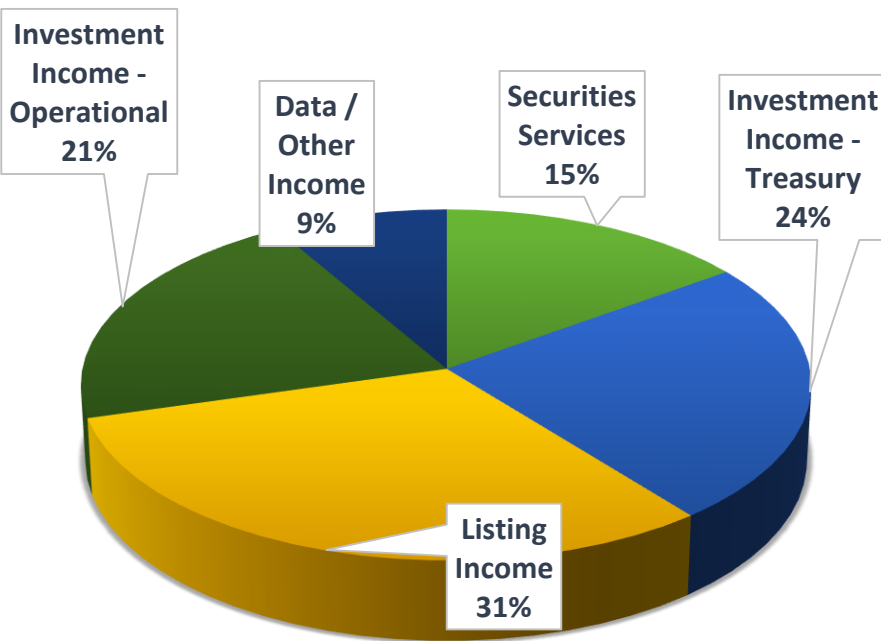
## Total Expense Breakup



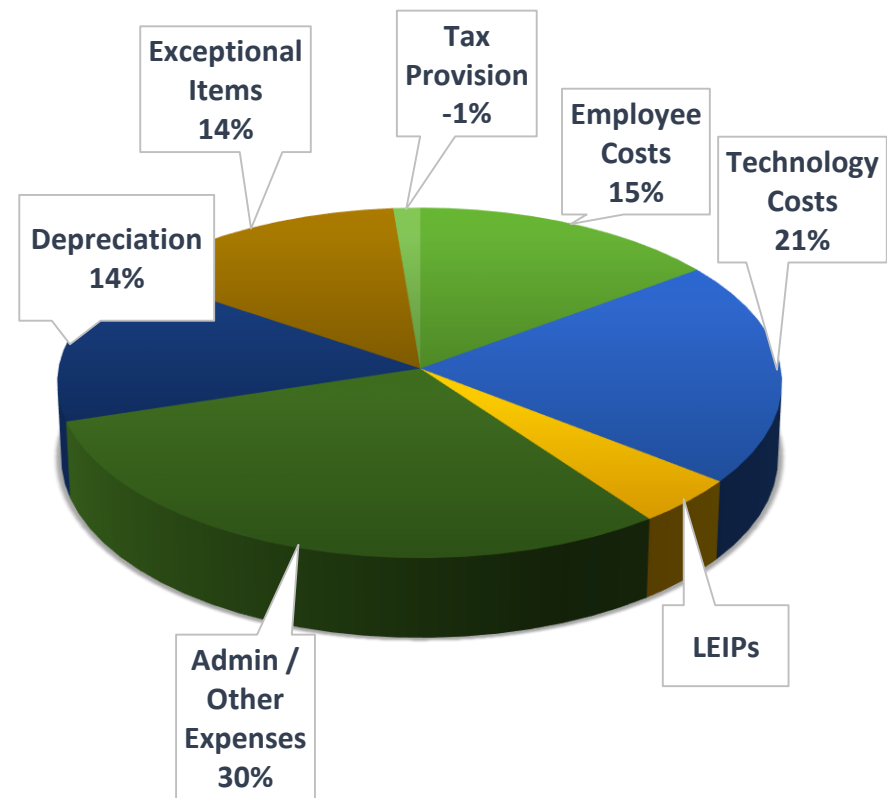


# BSE Revenue & Expenditure Breakup (Standalone) - FY15-16

**Total Revenue Breakup**



**Total Expense Breakup**





## **6. Awards & Recognitions**





# Awards & Recognitions

## Awards received by BSE Limited

- 10th annual Red Hat Innovation Award for Infrastructure
- Skoch Achiever Award 2016 for SME Enablement
- InfoSec Maestros Awards 2016
- Lions CSR Precious Awards 2016
- PCQUEST Best IT Implementation Awards 2016 for New Data Centre & DR SITE in MOST COMPLEX PROJECT Category
- Golden Peacock Award for Corporate Governance

## Awards received by Shri Ashish Kumar Chauhan, MD & CEO

- Indian Business Leader of the Year, PwC, Horasis Interlaken/Switzerland 2015
- R H Patil Award for Excellence in Financial Services, June 2015
- Saber CEO of the year 2015

## Awards received by Shri Kersi Tavadia, CIO

- Top Enterprise CIO in India 2015 at ICMG Awards



# THANK YOU

## INVESTOR RELATIONS CONTACT :

Sandhya Dubey

Dy. Manager

☎ +91 22 2272 8594

✉ [bse.ir@bseindia.com](mailto:bse.ir@bseindia.com)

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