



BSE Limited

Investor Presentation – February 2020

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1. About BSE



2. Business






3. Key Growth Drivers & Other Initiatives









4. Financial Highlights & Investor Information

Board Of Directors

Name	Bio	Name	Bio
 <p>Justice Vikramajit Sen Chairman and Public Interest Director</p> <p>On BSE Board since 2016</p>	<ul style="list-style-type: none"> ■ Former Judge, Supreme Court of India ■ Chairperson of the Broadcasting Content Complaints Council (BCCC) 	 <p>Shri Ashishkumar Chauhan Managing Director & CEO</p> <p>On BSE Board since 2012</p>	<ul style="list-style-type: none"> ■ Previously, Group Chief Information Officer, Reliance Industries Limited ■ Chairperson of the Board of Governors of National Institute of Technology, Manipur
 <p>Shri Sumit Bose Public Interest Director</p> <p>On BSE Board since 2016</p>	<ul style="list-style-type: none"> ■ Joined the Indian Administrative Service in 1976 and allotted to the Madhya Pradesh Cadre. ■ Chairman, Expert Committee on working of Cantonment Boards set up by Ministry of Defence in January 2018 (work underway). 	 <p>Shri S. S. Mundra Public Interest Director</p> <p>On BSE Board since 2018</p>	<ul style="list-style-type: none"> ■ Former Deputy Governor, Reserve Bank of India ■ Former Chairman & Managing Director of Bank of Baroda
 <p>Shri David Wright Public Interest Director</p> <p>On BSE Board since 2018</p>	<ul style="list-style-type: none"> ■ Former General Secretary of IOSCO (2012-2016), former Deputy Director-General for Securities and Financial Markets at the EU Commission. ■ From March 2000 – October 2010 he was first Director, then Deputy Director-General for securities and financial markets 	 <p>Shri Umakant Jayaram Public Interest Director</p> <p>On BSE Board since 2019</p>	<ul style="list-style-type: none"> ■ 27 years Cross functional experience in Global Investment Banking, Finance Planning & Analysis, Risk Consulting / Business transformation
 <p>Su Shri Jayshree Vyas Public Interest Director</p> <p>On BSE Board since 2019</p>	<ul style="list-style-type: none"> ■ Former Managing Director, Shree Mahila Sewa Sahakari Bank, Ahmedabad ■ In the year 2001, financial literacy programme was introduced in Sewa Bank, first of its kind in India – at initiative of Ms. Jayshree Vyas 	 <p>Smt Usha Sangwan Shareholder Director</p> <p>On BSE Board since 2015</p>	<ul style="list-style-type: none"> ■ Former Managing Director, Life Insurance Corporation of India ■ She has been featured in Forbes List of 50 most powerful Business Women in Asia in 2015

Management Team

Name	Bio	Name	Bio
 <p>Shri Ashishkumar Chauhan Managing Director & CEO <i>With BSE since 2009</i></p>	<ul style="list-style-type: none"> ■ B Tech in Mechanical Engineering from IIT Bombay and a PGDM from IIM Kolkata ■ 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 ■ Represents BSE as the Chairman on the Executive Board of the South Asian Federation of Exchanges. ■ Previously, Group Chief information officer, Reliance Group 	 <p>Shri Nayan Mehta Chief Financial Officer <i>With BSE since 2012</i></p>	<ul style="list-style-type: none"> ■ Having experience of over 28 years, he has earlier worked at Credit Analysis & Research Ltd. as Joint General Manager (Accounts), as CFO at Multi Commodity Exchange of India Limited. He has also worked at the National Stock Exchange ("NSE"). ■ He represents BSE on the Boards of group companies and joint ventures of BSE.
 <p>Shri Kersi Tavadia Chief Information Officer <i>With BSE since 2010</i></p>	<ul style="list-style-type: none"> ■ Prior to joining BSE, employed with Log-in Utility and InvestSmart Financial Services Limited ■ 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. 	 <p>Shri Neeraj Kulshrestha Chief Regulatory Officer <i>With BSE since 2015</i></p>	<ul style="list-style-type: none"> ■ 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 ■ 27 year experience in Capital markets, which includes Securities Markets and General Insurance.
 <p>Shri Sameer Patil Chief Business Officer <i>With BSE since 2015</i></p>	<ul style="list-style-type: none"> ■ He is instrumental in setting up and responsible for Business Development of INDIA INX at GIFT CITY IFSC. Currently, INDIA INX has more than 90% market share. ■ He has about 21 years' of experience in financial sectors like Commodities, Currency Derivatives, Indices etc and has experience in Trading, Hedging Strategies, Product Designing and Business Development. 	 <p>Shri Girish Joshi Chief Trading Operations and Listing Sales <i>With BSE since 2010</i></p>	<ul style="list-style-type: none"> ■ He has worked with ICICI Bank Group for 10 years. At ICICI Bank Group he worked in various areas like ICICIDirect.com, Treasury Mid Office and in the area of Regulatory Reporting and Monitoring at CFO office of the Bank. ■ He was also one of the earliest core team members who were involved in the set-up of National Stock Exchange ("NSE"). During 7 years at NSE he worked in Wholesale Debt Market and post trade functions.

Key Milestones – The transformation over time



Over last few years, BSE has transformed itself from a conventional stock exchange to the 1st Universal Exchange in addition to setting up e-commerce initiatives successfully



1. About BSE



2. Business



3. Key Growth Drivers & Other Initiatives



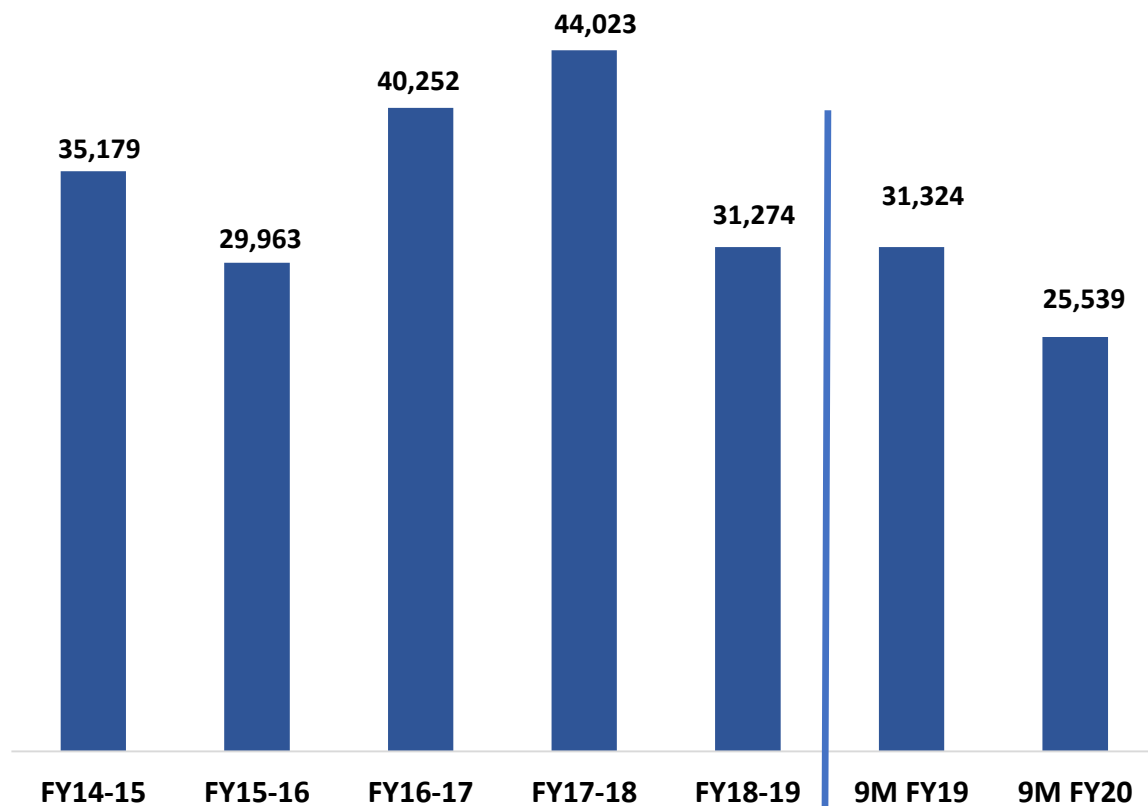
4. Financial Highlights & Investor Information

Diversified Lines of Business

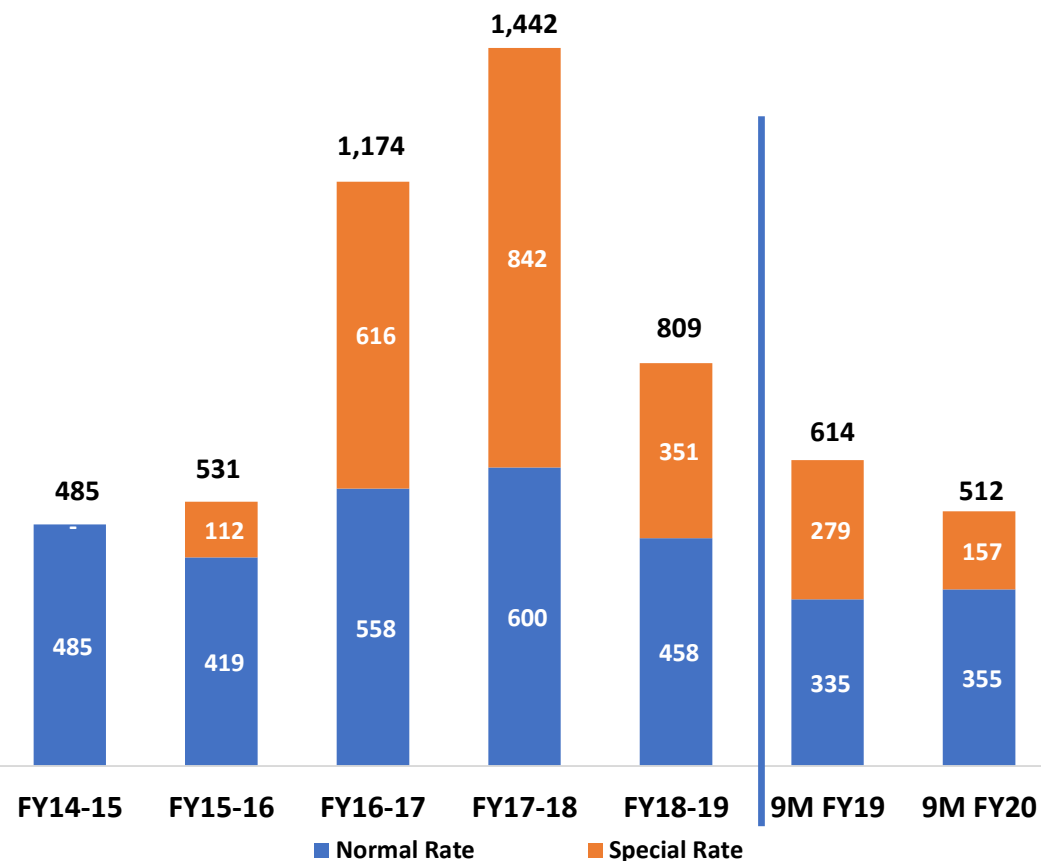


Equity Cash - Performance

Average Daily Turnover (₹ million)



Transaction Charges Income (₹ million)

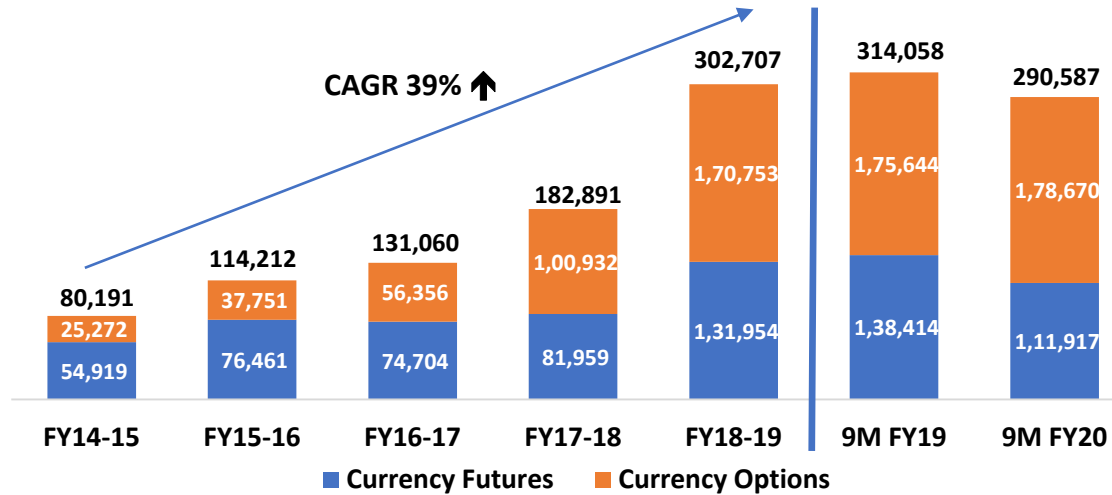


Revenues earned in this segment are subject to variation based on number and value of trades executed which are dependant on the economic cycle as well as the values of securities traded.

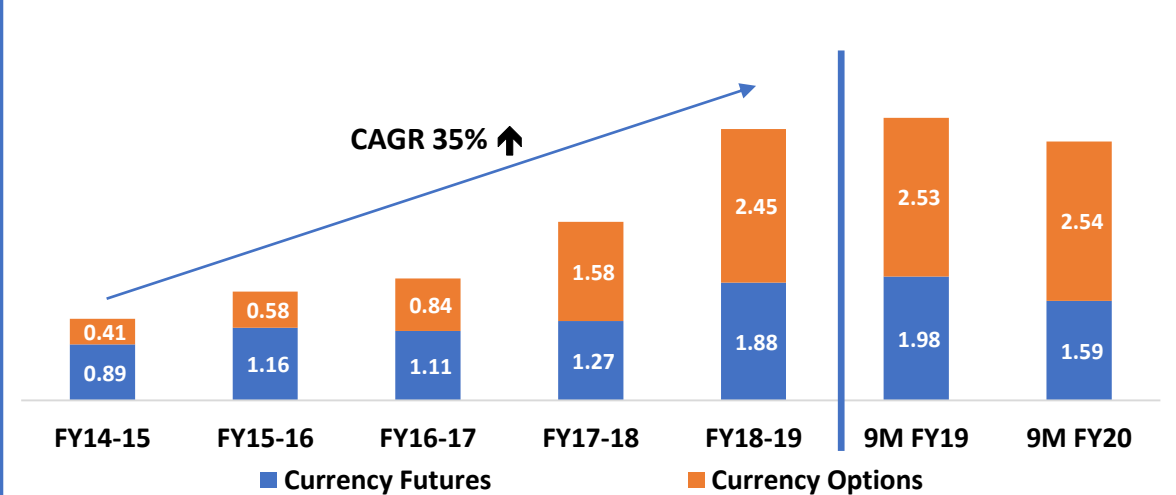
Inter-operability framework among clearing corporations fully operational with effect from July 15, 2019 in Equity Cash segment and July 29, 2019 in Equity Derivatives segment.

Currency Derivatives – Performance

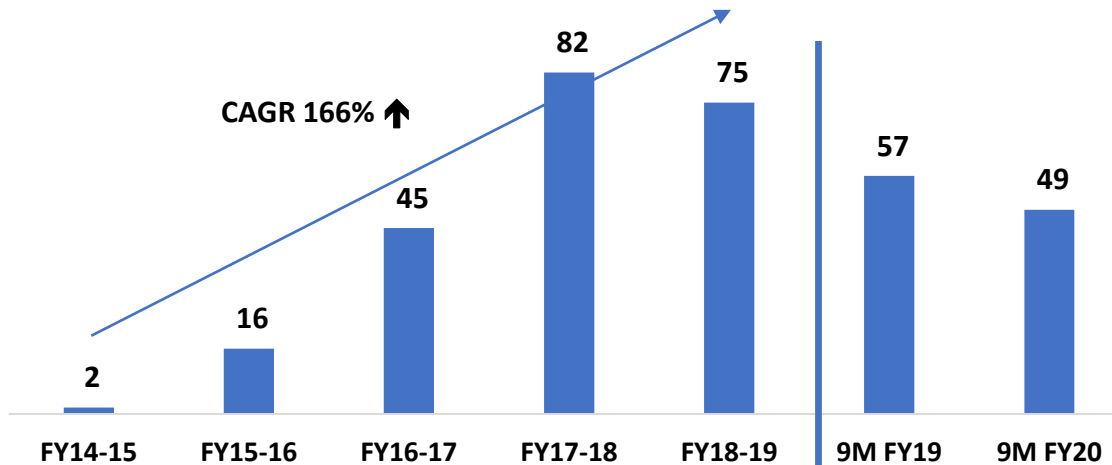
Average Daily Turnover (₹ million)



Average Daily Number of Contracts Traded (million)



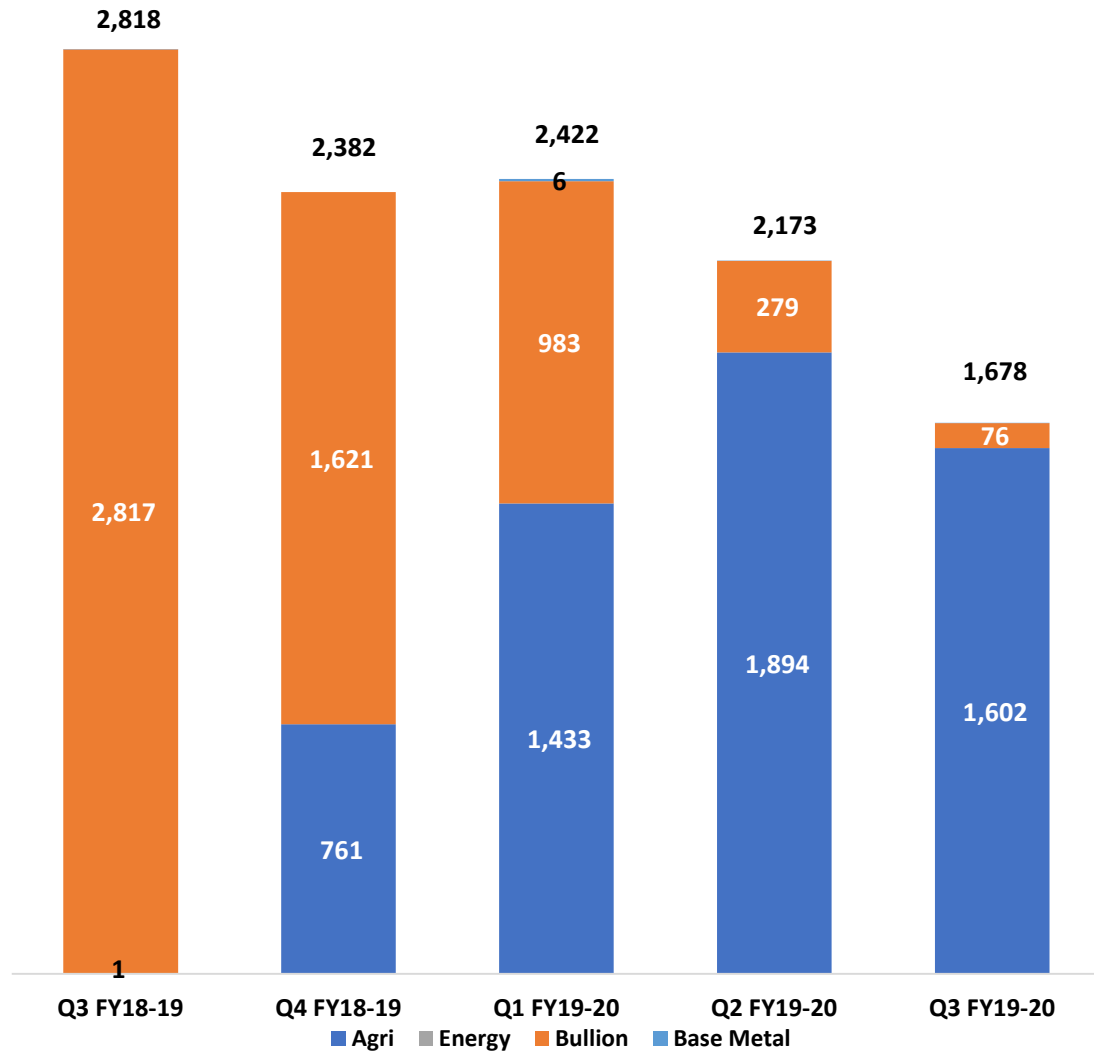
Transaction Charges Income (₹ million)



- Consistent growth in turnover and number of contracts traded in currency derivatives segment.
- BSE's market share in this segment for the quarter 31st December, 2019 stands at 42%
- Inter-operability framework among clearing corporations fully operational with effect from August 5, 2019 in Currency Derivatives segment.

Commodity Derivatives- Performance

Average Daily Turnover (₹ million)



Commodity futures contracts includes Gold, Silver, Copper, Oman Crude Oil, Guar Gum, Guar Seed, Cotton, Turmeric for trading

Members

276 Members admitted to trading in BSE's Commodity segment



Guarseed

M-Share in Q3 FY20 @ 32% and highest turnover of ₹ 2,000 million on 06th Nov'19



Cotton

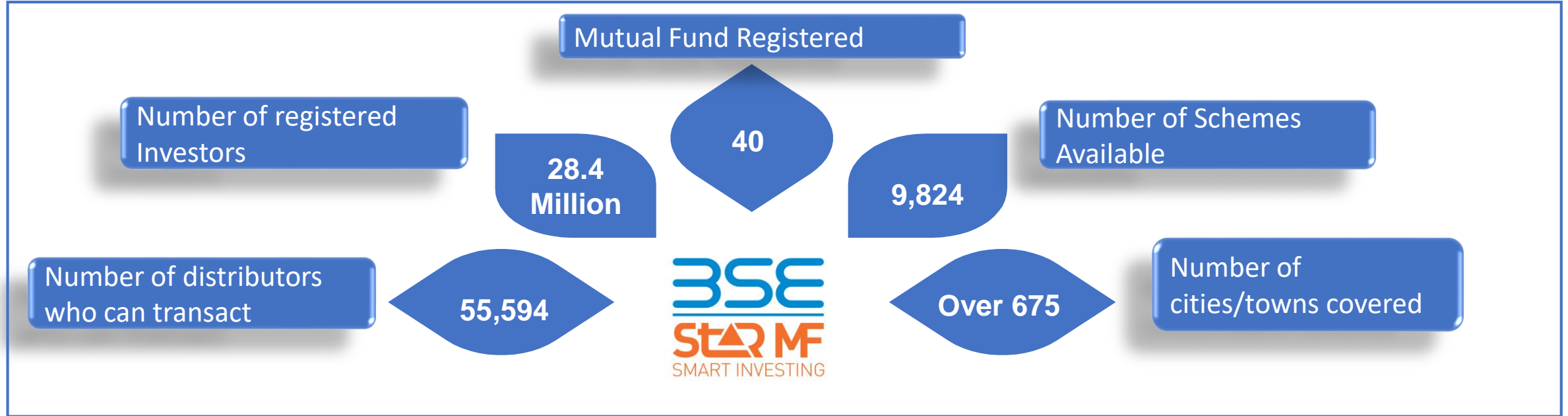
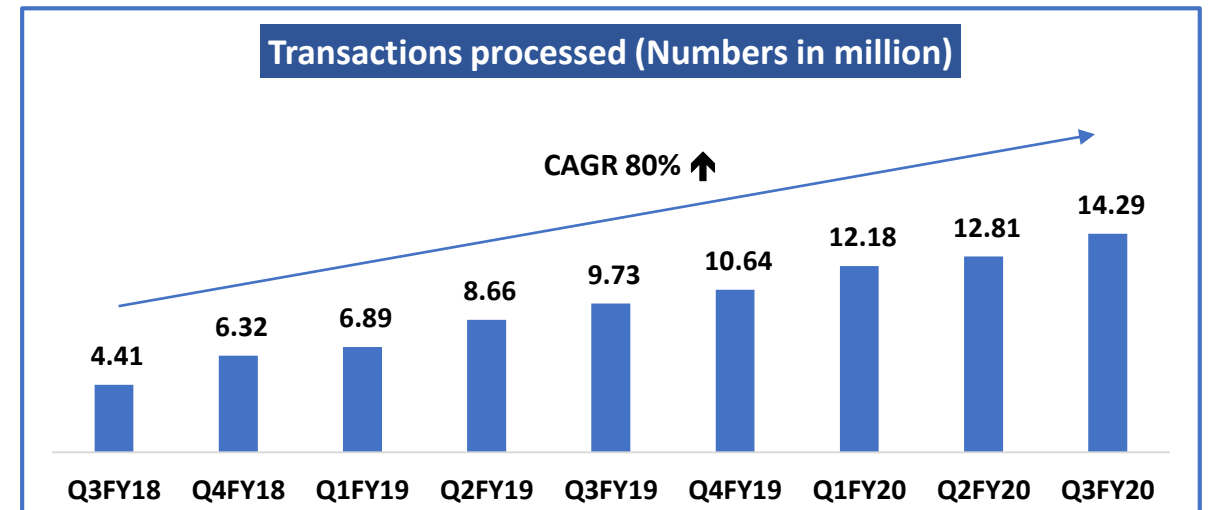
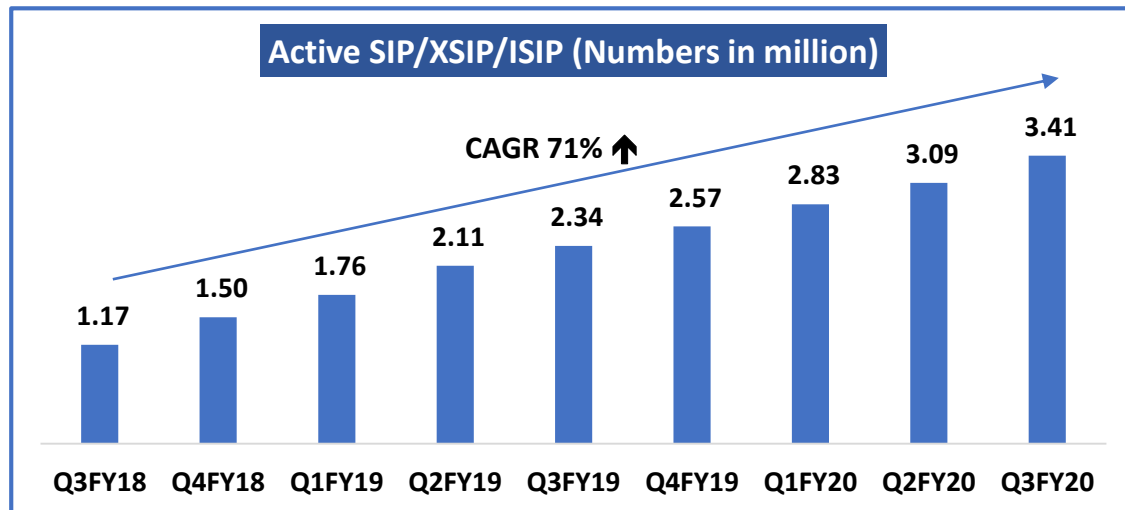
M-Share in Q3 FY20 @ 31% and highest turnover of ₹ 1,856 million on 7th Mar'19



BSE StAR Mutual Fund Platform – Introduction

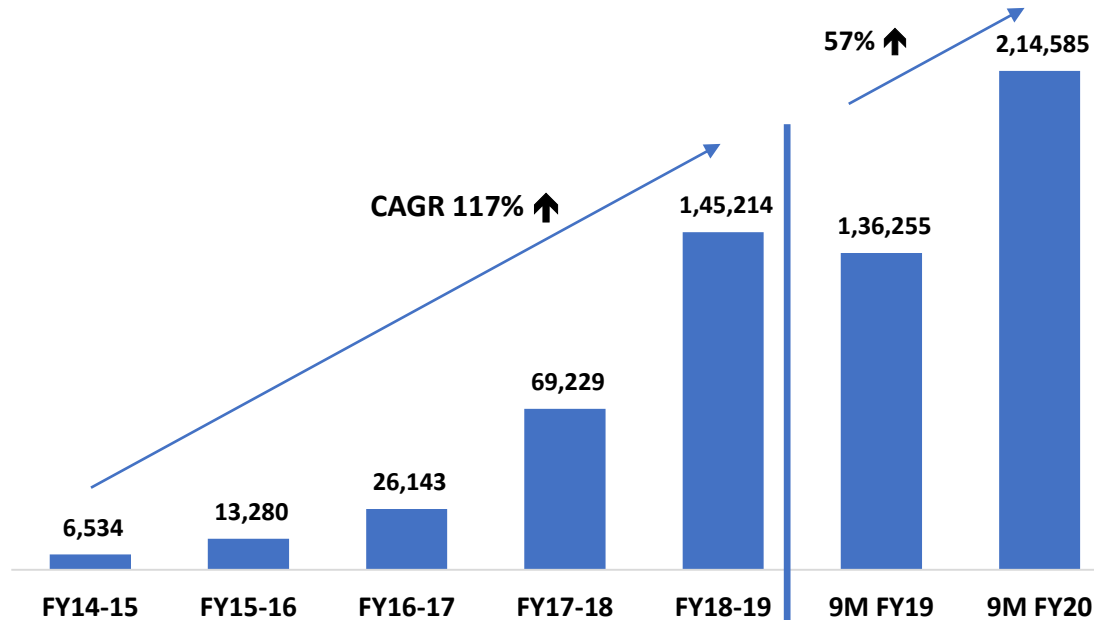


BSE StAR Mutual Fund Platform – Reach & Coverage

Data as on 31st December, 2019

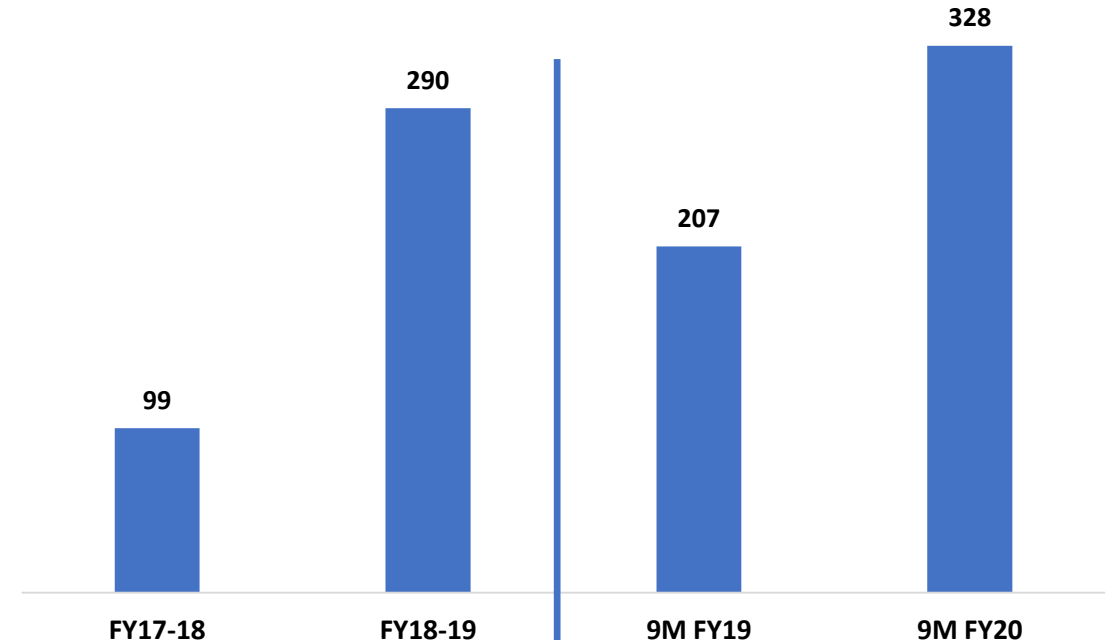
BSE Star Mutual Fund Platform - Performance

Average Daily Number of Orders



Exponential growth in number of orders

Mutual Fund Revenue



Steady non-linear increase in income

- Strong growth in revenue likely to continue over next few years aided by expected growth in distribution network, household savings and economic & demographical factors
- BSE Star MF becomes part of India's largest online MF distribution platform at zero cost.

Orders Processed :

~ 4.95 million (December 2019)

936 mutual fund distributors registered during Q3FY20

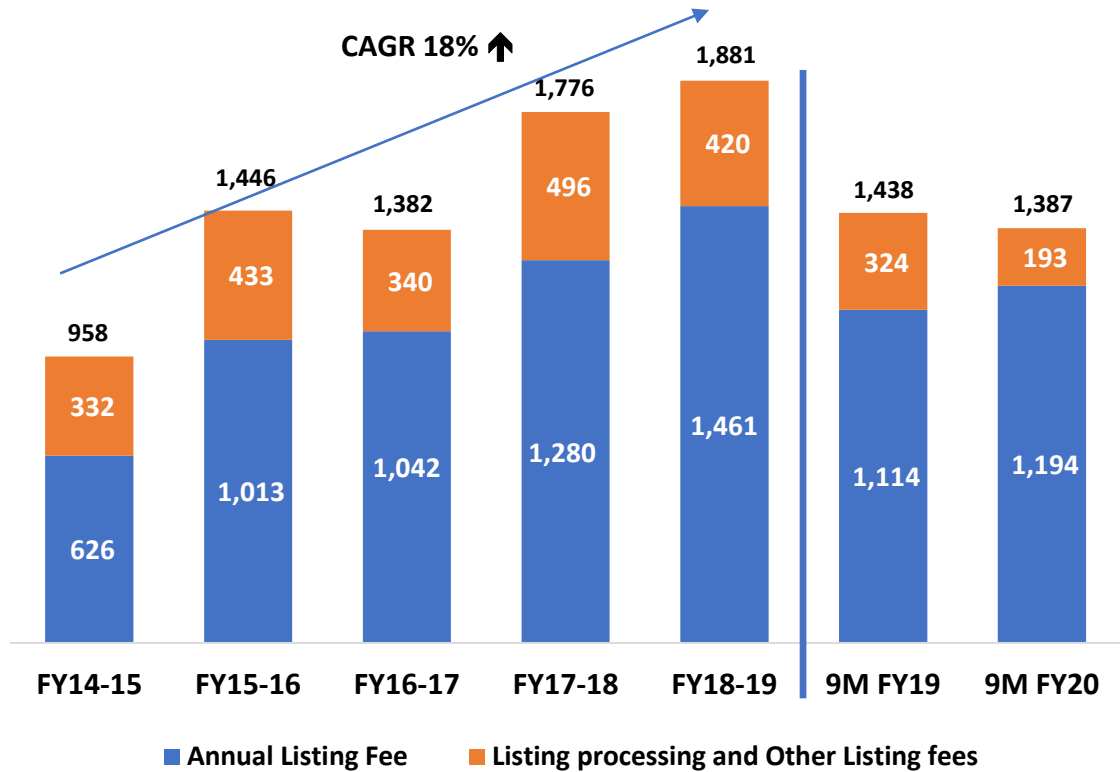
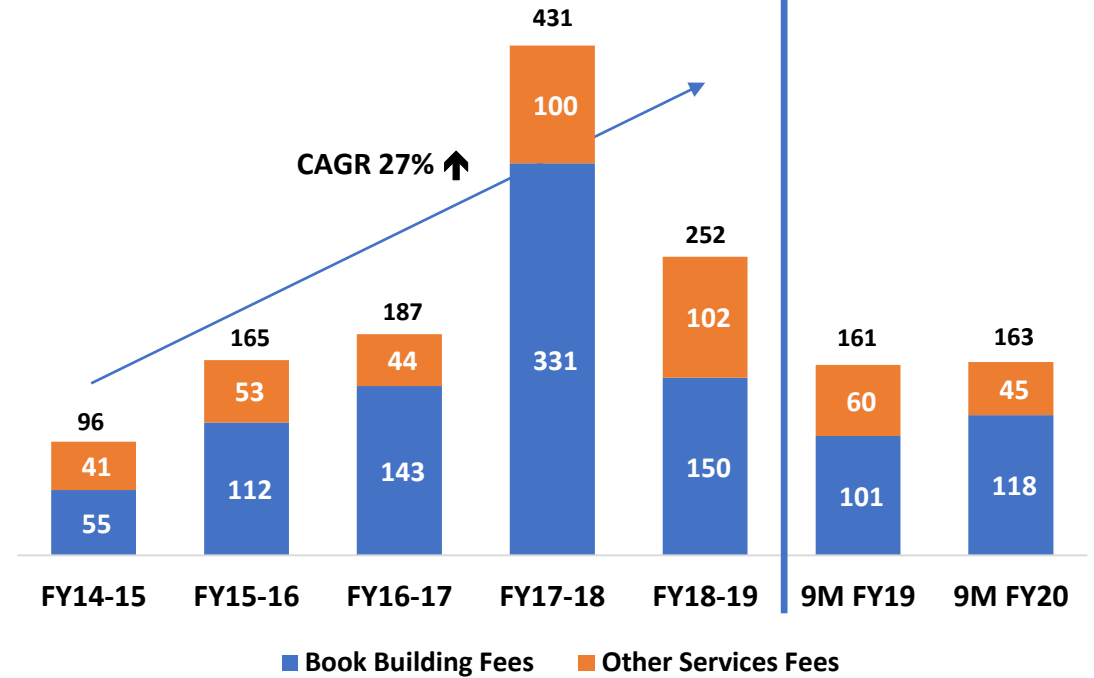
Quarterly Growth:

Mutual fund distributors ↑ 55% (Y-o-Y)

Orders Processed ↑ 47% (Y-o-Y)

Value of orders processed ↑ 37% (Y-o-Y)

Services to Corporates - Performance

Listing Fees (₹ million)

Book Building & Other Services (₹ million)


Listing income stable with increasing bias due to incremental listings on the Exchange and fees increased during current financial year.

Other listing income subject to mild variation year on year based on increase in economic factors, number of new listings, corporate actions, etc.

India International Exchange IFSC – Introduction



Asset Classes & Contracts

- Equity Index Derivatives: Sensex and India 50
- Indian Stock Futures : 144 stocks including Reliance Industries Limited, HDFC Bank Limited, Axis Bank Limited, Infosys Limited, Tata Consultancy Services Limited, Maruti Suzuki India Limited, Tata Motors Limited, ICICI Bank Limited, Larsen & Toubro Limited and State Bank of India Limited
- Commodity Futures : Gold, Gold KG, Silver, Copper, WTI Crude, BRENT Crude
- Commodity Options : Gold
- Currency Derivatives: EUR USD, GBP USD and JPY USD
- Debt Securities: Masala Bonds, Foreign Currency Denominated Bonds

Trading Hours

- Exchange Daily Trading Hours
- 22.00 Hours
- 04:30:00 hours to 17:00:00 hours and 17:00:01 hours to 02:30:00 hours (Indian Standard Time)

Global Access

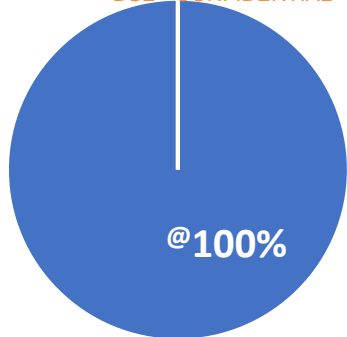
- BSE's India INX launches Global Access with connectivity to CME Group Exchanges, LME, ICE US & Europe, Eurex & Euronext N.V.

India International Exchange IFSC – Performance

Marketshare

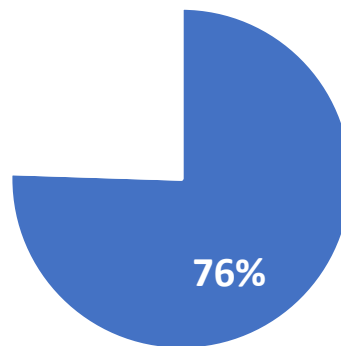
MTN Programme

BSE - CONFIDENTIAL

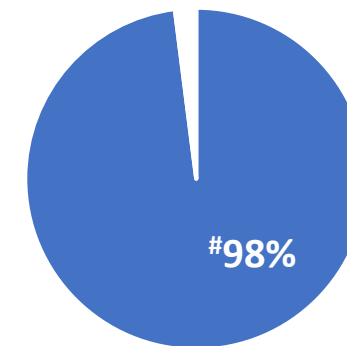


@100% of MTN established in IFSC are established with INDIA INX

Derivatives Trading



Bonds Listed



#98% of the bonds listed in IFSC are listed on INDIA INX

Fund Raising / Listing

11

USD 46,574 million

Numbers

Value

MTN Programme Established

42

USD 18,420 million

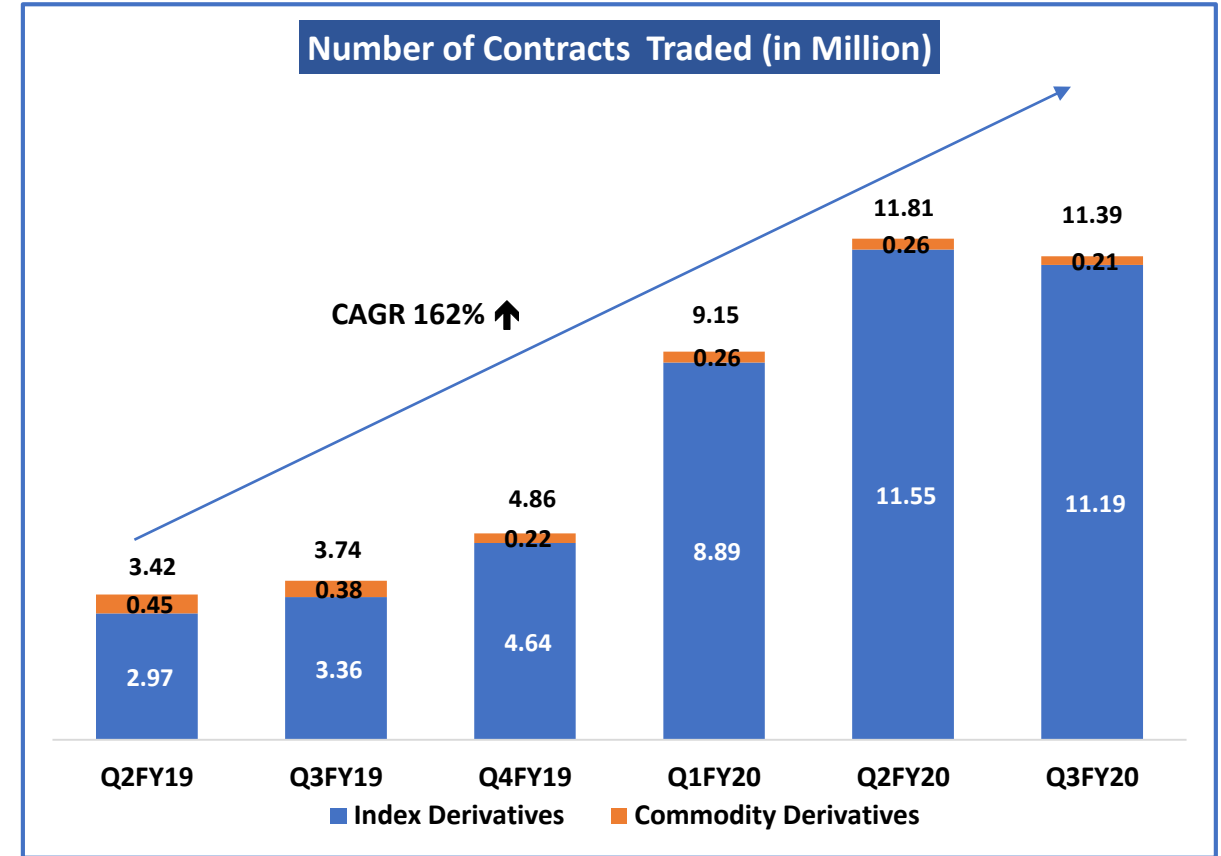
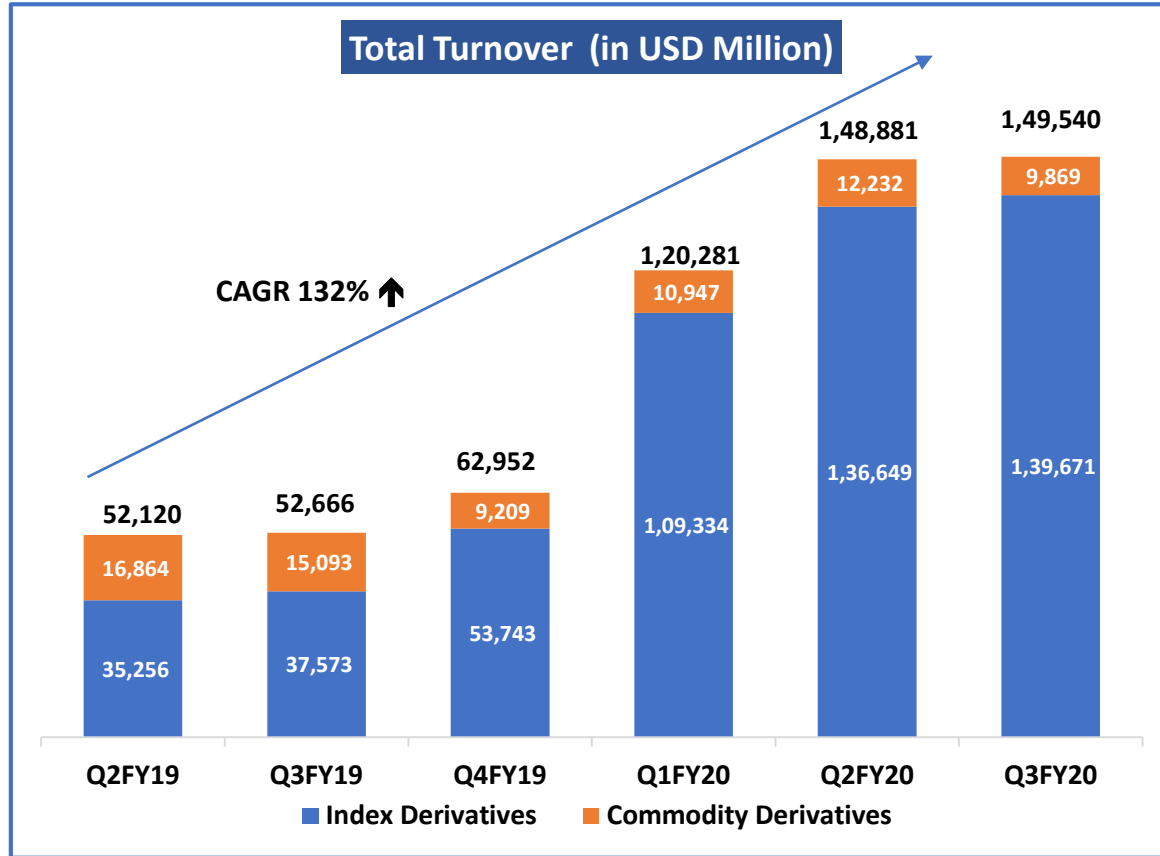
Numbers

Value

Bonds Listed

During Q3 FY20, approx. 23% of Indian issuers of Debt Securities in the international markets have listed on India INX's Global Securities Market.

India International Exchange IFSC



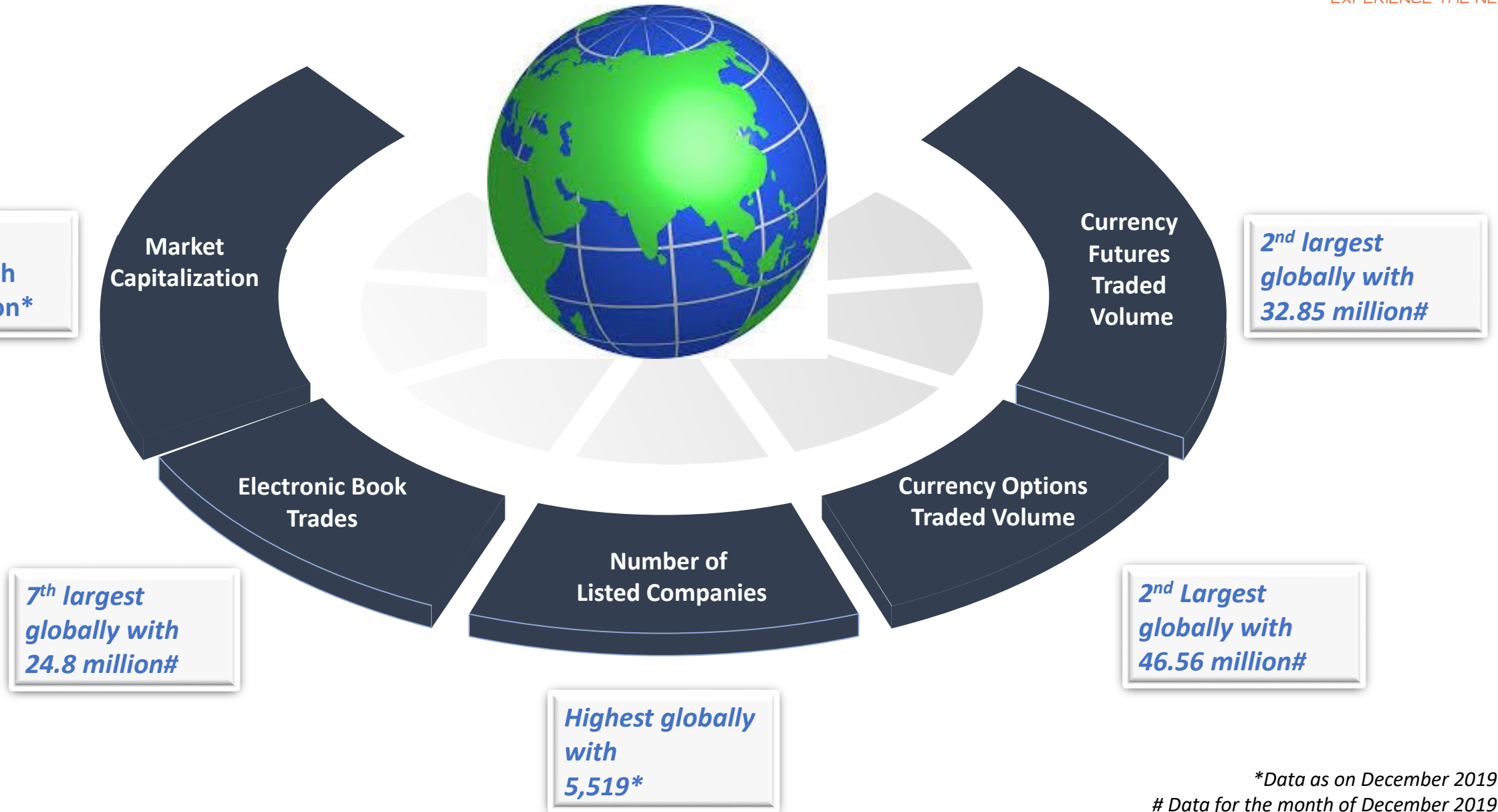
India INX is the dominant IFSC Exchange in GIFT city with market share of **76%** in derivatives trading and **98%** in bond listing.

ICICI Bank has invested
 - **7.71%** in India INX
 - **9.90%** in India ICC

Highest Volume in a day
4,05,544 Traded contracts
 on 25th July 2019

Highest Turnover in a day
\$ 4.91 Billion
 on 25th July 2019

Global Rankings



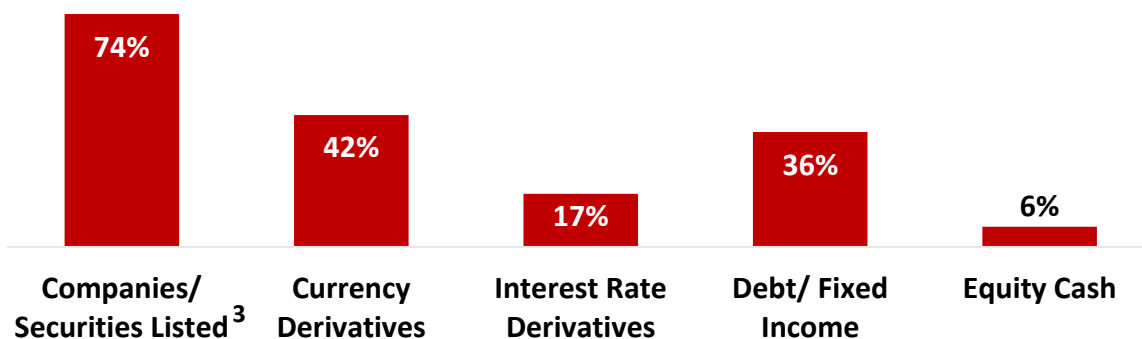
*Data as on December 2019

Data for the month of December 2019

Source: BSE/WFE

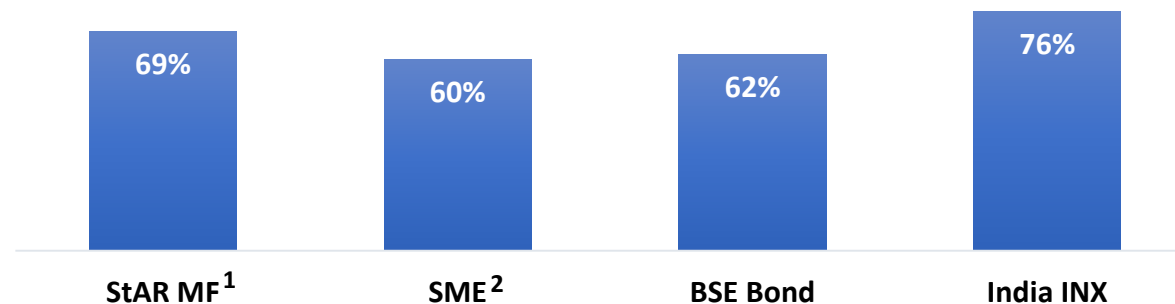
Marketshare

Red Ocean Businesses



**Established leader in Listing related Business.
Good marketshare in other businesses except Equity Cash**

Blue Ocean Businesses



Market leadership in Blue Ocean Businesses

All Marketshare for Q3 FY20

¹ Marketshare in Mutual Fund StAR Platform based on the value of purchase / redemption orders executed during Q3 FY20

² Marketshare in SME Segment represents number of companies listed in SME segment during Q3 FY20

³ As on December 31, 2019

Commodity Derivatives includes Gold, Silver, Copper, Oman Crude Oil, Guar Gum, Guar Seed, Cotton, Turmeric for trading

BSE Ebix Insurance Broking Private Limited, has successfully Beta Launched on February 07, 2020

Power Exchange jointly promoted with Power Trading Corporation & ICICI Bank*

*Subject to Regulatory Approvals



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4. Financial Highlights & Investor Information

Key Growth Drivers

Inter-operability of Clearing Corporations

- Can lead to increase in arbitrage turnover due to clearing of all trades by any one clearing corporation
- Can lead to increase in turnover due to implementation of best price execution software implementation by various brokers
- Can lead to turnover in equity derivatives also.
- Fully Operational as per following dates
 - Equity - 15th July 2019
 - Equity Derivatives - 29th July 2019
 - Currency Derivatives – 05th August 2019



International Exchange

- Several amendments made vide The Finance (No. 2) Act, 2019 in tax laws to encourage foreign participation in International Exchanges at IFSC
- Unified Regulator to be set up, The International Financial Services Centres Authority Bill, 2019 passed by Parliament
- SEBI allowed IFSC Exchanges to launch the currency futures and options contracts involving Indian rupee.



Mutual Fund

- Savings in cost and convenience
- Strong network of inter-mediaries
- Good network connectivity across country
- Increasing household incomes
- Increasing financial savings



E-platform Services

- Expansion of services from Current platforms for providing e-platform services like book-building for IPO, Offer to Buy, Offer to Sell, New Bond platform, etc.



Other Initiatives

Insurance Broking

- Set up JV named BSE Ebix Insurance Broking Private Limited with Ebix to provide insurance broking services
- Approval received for composite broking licence from Insurance Regulatory Development Authority of India
- Successfully Beta Launched on February 07, 2020



Power Exchange

- Pranurja Solutions Limited incorporated to set up a power exchange jointly with Power Trading Corporation and ICICI Bank.
- Approval for grant of license for the power exchange from Central Electricity Regulatory Commission under progress.



Commodity Derivatives

- Launched Commodity Derivatives from October 1, 2018
- Commodities futures available for trading includes Gold, Silver, Copper, Oman Crude Oil, Guar Gum, Guar Seed, Cotton and Turmeric.



BSE Bond Platform

- Over ₹ 905 billion of privately placed debt was raised on BSE BOND platform through 90 issues in Q3 FY20
- 189 issuers successfully raised over ₹ 2.39 lakh crore with 61% market share on Bond Platform during the period April 2019 to December 2019.





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Integrated Business Model

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



1	Transaction Charges	<ul style="list-style-type: none"> To an extent linked to Market Activity 	<ul style="list-style-type: none"> Linked to market activity levels and household savings and investments
2	Treasury Income on Clearing and Settlement Funds	<ul style="list-style-type: none"> Linked to Market Activity to an Extent 	<ul style="list-style-type: none"> Linked to interest rates and, to an extent, market activity since that would lead to more margin being deposited by members
3	Other Securities Services	<ul style="list-style-type: none"> Recurring 	<ul style="list-style-type: none"> Primarily consists of charges recovered from members for network connectivity
4	Services to Corporates	<ul style="list-style-type: none"> Recurring 	<ul style="list-style-type: none"> Mostly derived from listing income that is not impacted by market activity Dependent on number of listed entities and hence is a recurring revenue stream Potential for increase if amount charged is increased
5	Data Dissemination Fees	<ul style="list-style-type: none"> Recurring 	<ul style="list-style-type: none"> Impacted primarily due to level of subscriptions and revision in pricing policies Contributes only 4-5% in India compared to 10-25% in developed markets
6	Income From Investments and Deposits	<ul style="list-style-type: none"> Recurring 	<ul style="list-style-type: none"> Linked to investment yields
7	Other Income	<ul style="list-style-type: none"> Recurring 	<ul style="list-style-type: none"> Mostly derived from rent and training institute etc., which are stable sources of income

Consolidated Profit & Loss

(₹ in million)

Sr. No.	Particulars	Dec'19 Quarter	Sep'19 Quarter	Dec'18 Quarter	9M FY 20	9M FY 19	FY 2018-19
1.	Transaction Charges	263	270	256	880	852	1,139
2.	Treasury Income on Clearing and Settlement Funds	43	56	70	172	235	307
3.	Other Securities Services	82	67	55	195	171	269
4.	Securities Services (1+2+3)	388	393	381	1,247	1,258	1,715
5.	Services to Corporates	545	516	496	1,554	1,601	2,136
6.	Other Operating Income	166	180	170	508	487	652
7.	Revenue from Operations (4+5+6)	1,099	1,089	1,047	3,309	3,346	4,503
8.	Income From Investments and Deposits	340	451	685	1,282	1,497	2,022
9.	Other Income	48	55	39	149	127	162
10.	Total Income (7+8+9)	1,487	1,595	1,771	4,740	4,970	6,687
11.	Employee Expenses	369	392	357	1,136	1,037	1,392
12.	Technology Cost & Technology Program	294	289	287	882	857	1,134
13.	Admin & Other Expenses	491	465	448	1,349	1,185	1,685
14.	Total Operating Expenses (11+12+13)	1,154	1,146	1,092	3,367	3,079	4,211

Consolidated Profit & Loss (cont'd)

Sr. No.	Particulars	Dec'19 Quarter	Sep'19 Quarter	Dec'18 Quarter	9M FY 20	9M FY 19	FY 2018-19
15.	EBITDA (10-14)	333	449	679	1,373	1,891	2,476
16.	EBITDA Margin (15/10 in %)	22%	28%	38%	29%	38%	37%
17.	Depreciation & Amortization	132	125	129	377	364	511
18.	Finance Cost	5	4	2	13	7	9
19.	Non Recurring Revenue *	320	1	0	322	83	188
20.	Non Recurring / Exceptional Expenses @	109	67	98	213	196	260
21.	Profit Before Tax & Non-controlling Interest/Associates (15-17-18+19-20)	407	254	450	1,092	1,407	1,884
22.	Share of profit from Associates	57	73	70	200	205	292
23.	Profit Before Tax (21+22)	464	327	520	1,292	1,612	2,176
24.	Tax Expenses / Non-controlling Interest	8	-40	19	56	189	234
25.	Net Profit From Continuing Operations (23-24)	456	367	501	1,236	1,423	1,942
26.	Net Profit Margin (25/10 in %)	31%	23%	28%	26%	29%	29%
27.	Profit From Discontinued Operation	0	0	0	0	51	51
28.	Net Profit from Total Operation (25+27)	456	367	501	1,236	1,474	1,993

* Non Recurring Revenue items includes gain on part stake sale of CDSL, reversals of certain expense provision for earlier years and Interest on tax refunds.

@ Non Recurring Expenses includes Expense towards settlement of service tax matters, provision made for investment in IL&FS Group's Secured Debentures, liquidity enhancement scheme expense and voluntary retirement scheme expense.

Standalone Profit & Loss

Sr. No.	Particulars	Dec'19 Quarter	Sep'19 Quarter	Dec'18 Quarter	9M FY 20	9M FY 19	FY 2018-19
1.	Securities Services	310	311	302	1,008	997	1,363
2.	Services to Corporates	544	515	495	1,551	1,599	2,133
3.	Data Dissemination Fees	77	79	78	233	225	302
4.	Revenue from Operations (1+2+3)	931	905	875	2,792	2,821	3,798
5.	Income From Investments and Deposits	266	477	645	1,163	1,507	1,958
6.	Other Income	52	60	43	160	139	181
7.	Total Income (4+5+6)	1,249	1,442	1,563	4,115	4,467	5,937
8.	Employee Expenses	226	242	214	708	633	848
9.	Technology Cost & Technology Program	328	326	328	988	966	1,265
10.	Admin & Other Expenses	430	406	312	1,173	907	1,291
11.	Total Operating Expenses (8+9+10)	984	974	854	2,869	2,506	3,404

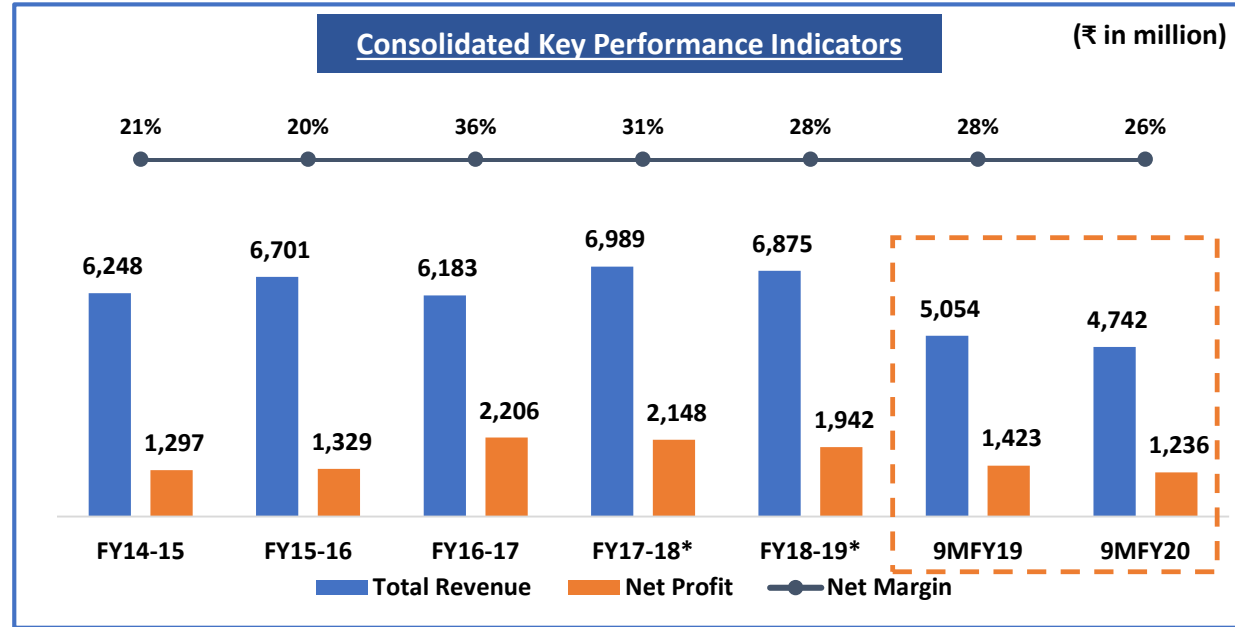
Standalone Profit & Loss (cont'd)

Sr. No.	Particulars	Dec'19 Quarter	Sep'19 Quarter	Dec'18 Quarter	9M FY 20	9M FY 19	FY 2018-19
11.	Total Operating Expenses (8+9+10)	984	974	854	2,869	2,506	3,404
12.	EBITDA (7-11)	265	468	709	1,246	1,961	2,533
13.	EBITDA Margin (12/7 in %)	21%	32%	45%	30%	44%	43%
14.	Depreciation & Amortization	111	108	111	321	311	440
15.	Non Recurring Revenue / Exceptional Income*	916	1	0	918	133	238
16.	Non Recurring / Exceptional Expenses @	69	27	66	95	105	145
17.	Profit Before Tax (12-14+15-16)	1,001	334	532	1,748	1,678	2,186
18.	Tax Expenses	16	-58	8	27	106	175
19.	Net Profit After Tax (17-18)	985	392	524	1,721	1,572	2,011
20.	Net Profit Margin (19/7 in %)	79%	27%	34%	42%	35%	34%

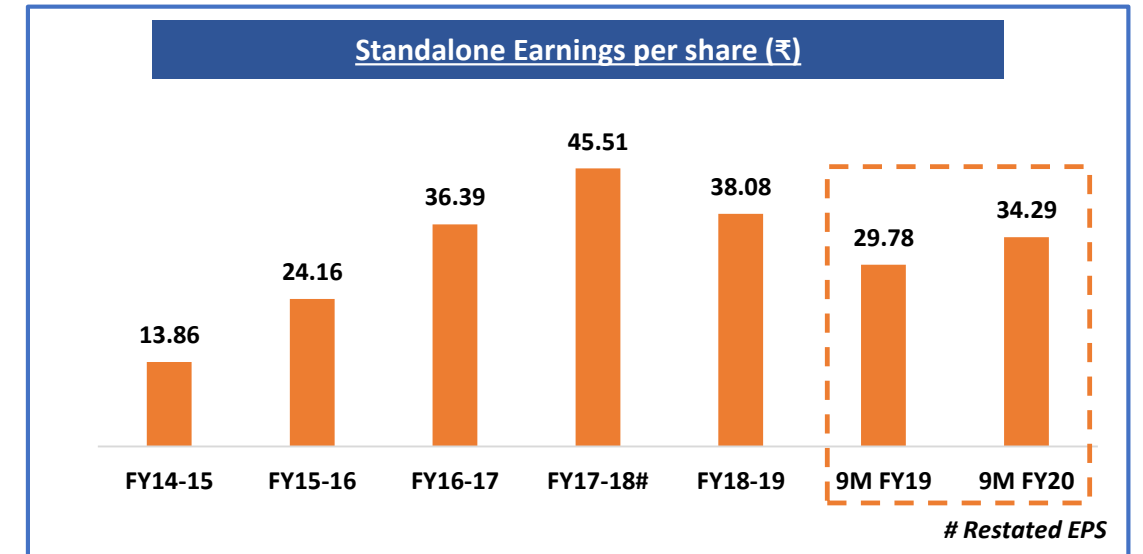
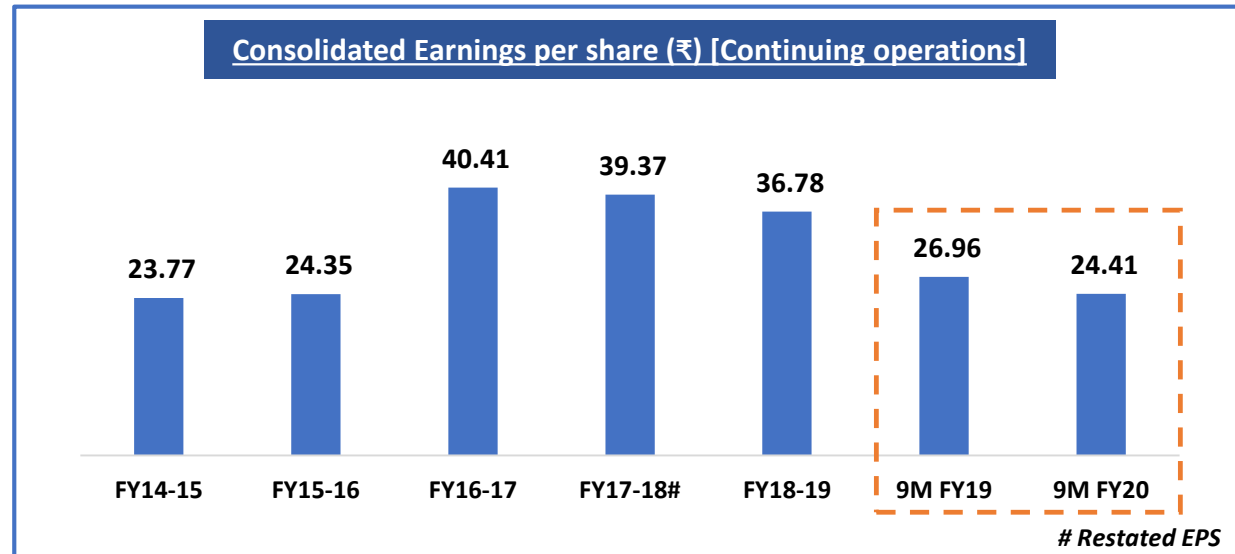
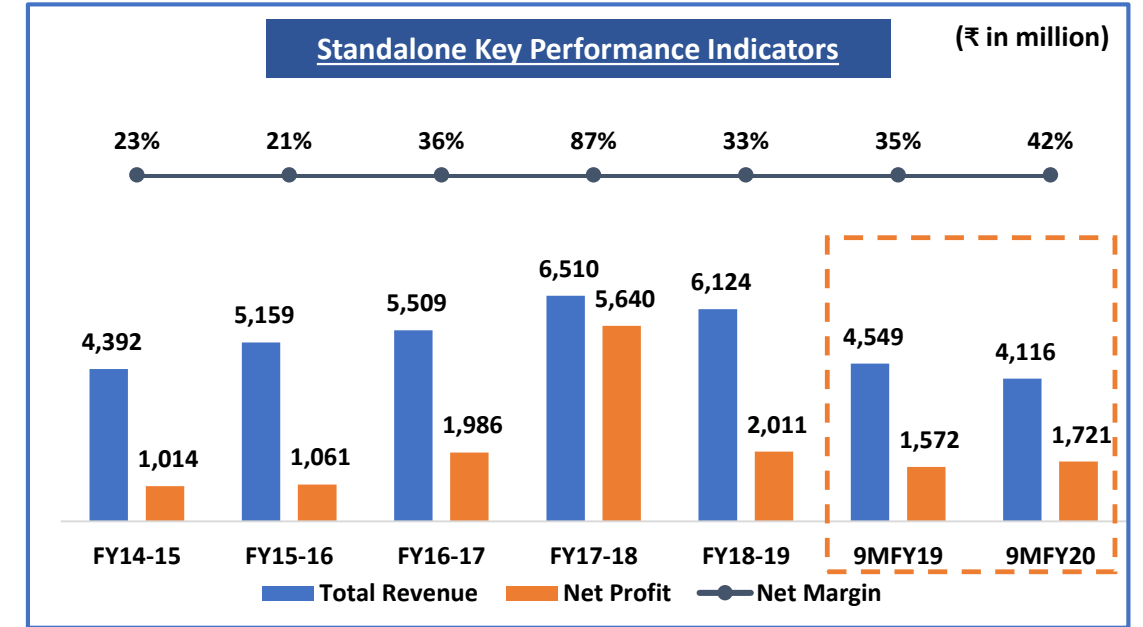
* Non Recurring Revenue items includes gain on part stake sale of CDSL, reversals of certain expense provision for earlier years, Interest on tax refunds and receipt of withheld proceeds of equity shares of CDSL offered in its IPO.

@ Non Recurring Expenses includes expense towards settlement of service tax matters, provision made for investment in IL&FS Group's Secured Debentures, impairment of certain Equity Investments, liquidity enhancement scheme expense and voluntary retirement scheme expense.

Financial Overview

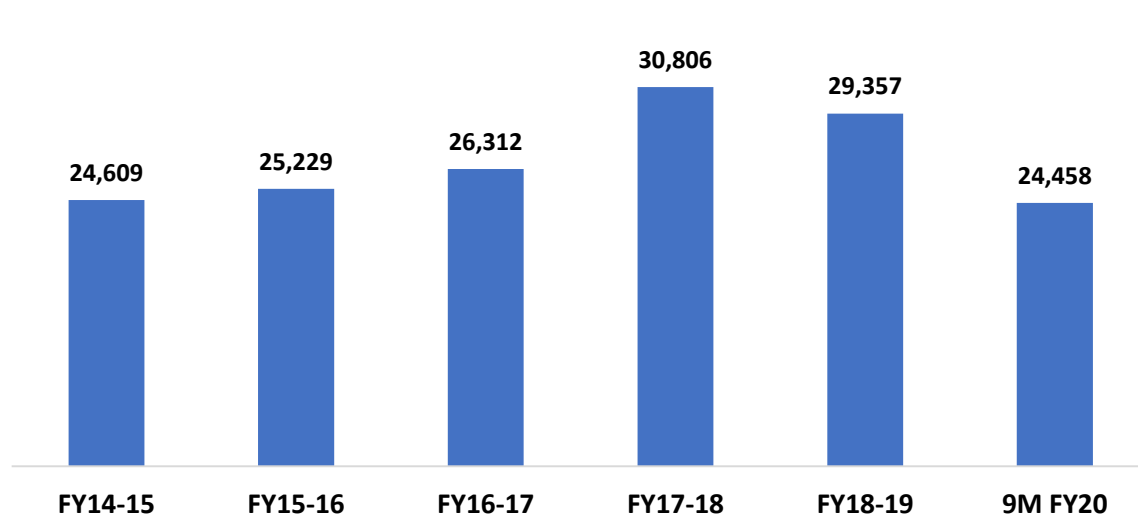


* Net profit from continuing operation

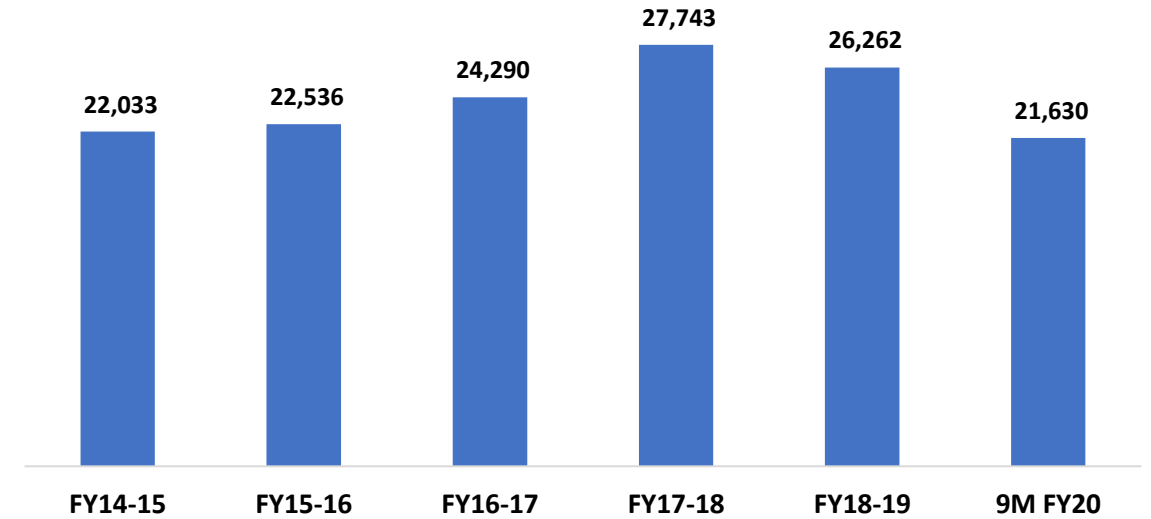


Financial Overview (cont'd)

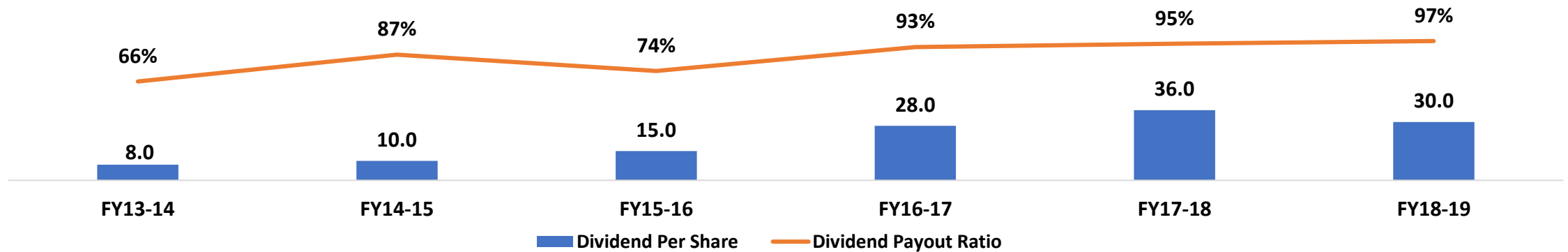
Consolidated Net-worth (₹ million)



Standalone Net-worth (₹ million)



Dividend per share (₹) & Pay-out Ratio

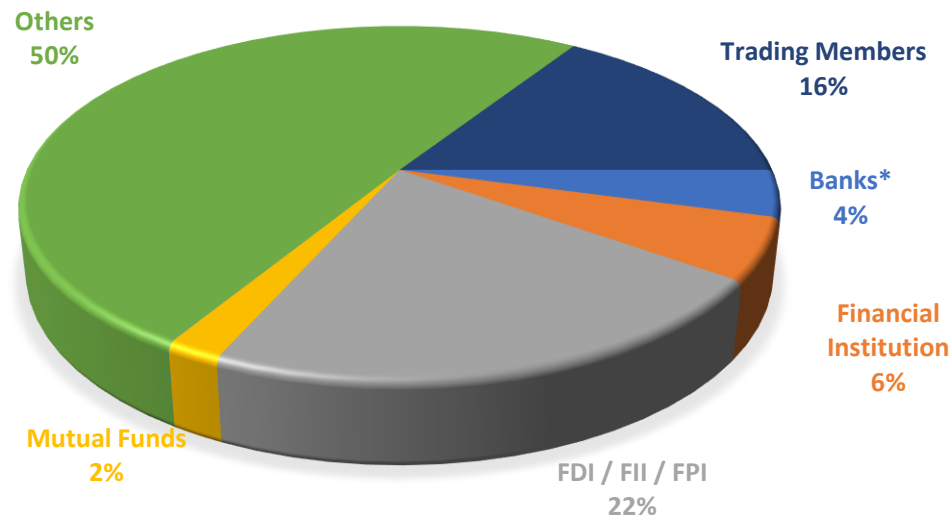


Figures as per restated IGAAP financials for FY12-13 to FY14-15 and Ind-AS financials for FY15-16 onwards

Dividend pay-out ratio is calculated based on Standalone Profit

Shareholding Pattern

SHAREHOLDING PATTERN



*Banks includes bank which are trading members

Closing Price



SOME KEY SHAREHOLDERS*

Life Insurance Corporation of India	5.61%
Deutsche Boerse AG	4.41%
State Bank of India	2.39%
Siddharth Balachandran	1.93%
Acacia Banyan Partners Limited	1.74%
Jupiter Asset Management	1.68%
Caldwell India Holdings Inc.	1.49%
Akshay Vasantlal Mehta	1.49%
MSPL Limited	1.33%
S Gopalkrishnan	1.18%

MARKET DATA

Market Capitalization (₹ Mn)	24,015.96
Price (₹)	533.40
No. of Shares Outstanding	4,50,24,297
Face Value (₹)	2.00
Avg. Qtrly Trading Volume (₹ Mn)	37.85
Avg. Qtrly Trading Volume (Mn shares)	0.07
52 week High-Low (₹)	648.00 – 446.20

Paid up Capital ₹ 90.04 million | Face Value per share ₹ 2/- each

*as per BENPOS as on December 31, 2019

Market data as at January 31, 2020

THANK YOU

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