

**Limited Review Report on Consolidated Financial Results****The Board of Directors  
BSE Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of BSE Limited Group, comprising BSE Limited (the 'Company'), its subsidiaries, joint venture and associate, (together referred to as "the BSE Limited Group") for the quarter and nine months period ended December 31, 2017 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), "Interim Financial Reporting" covered under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. The comparative financial results of the Company for the quarter and nine months period ended December 31, 2016 were reviewed by the predecessor auditor who issued an unmodified limited review report on those consolidated financial results on February 14, 2017. Further the consolidated financial statements of the Company for the year ended March 31, 2017 were audited by predecessor auditor who expressed an unmodified opinion on those consolidated financial statements on May 5, 2017.
5. We did not review the financial results/other information, in respect of seven subsidiaries which have total assets of Rs. 1,92,555 lakhs, net assets of Rs. 89,559 lakhs as at December 31, 2017 and total revenue of Rs. 3,254 lakhs and Rs. 10,402 lakhs for the quarter and the nine months period ended December 31, 2017 respectively. These financial results/other information, reviewed by other auditors, have been furnished to us along with the auditors' reports thereon by the management. Further the consolidated financial results include the Group's share of net profit of Rs. 609 lakhs and Rs. 1,250 lakhs for the quarter and nine months period ended December 31, 2017 respectively and profit from discontinued operations of Rs. 2,547 lakhs for the quarter ended June 30, 2017, in respect of one company which was a subsidiary up to June 29, 2017 and associate for the subsequent period. We did not review the consolidated financial results/ other information in respect of the said company, audited by other auditors. The consolidated financial results /other information of the said company along with the auditors' reports thereon has been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and associate is based solely on the reports of other auditors. Our conclusion is not qualified in respect of this matter.
6. Based on our review conducted as above and based on the consideration of the reports of other auditors on the separate quarterly financial results/other information of the subsidiaries and an associate, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Ind AS 34 covered under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and

# **S.R. BATLIBOI & Co. LLP**

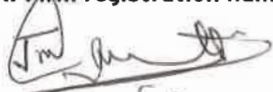
Chartered Accountants

policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per **Jayesh Gandhi**

Partner

Membership No.: 037924

Mumbai

Date: February 2, 2018



**BSE Limited**  
CIN L67120MH2005PLC155188

(Formerly known as Bombay Stock Exchange Limited)

Registered office: Floor 25, P J Towers, Dalal Street, Mumbai 400001

**Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2017**

(₹ in Lakh)

PARTICULARS	For the quarter ended December 31, 2017	For the quarter ended September 30, 2017	For the quarter ended December 31, 2016	For the nine months ended December 31, 2017	For the nine months ended December 31, 2016	For the year ended March 31, 2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Continuing Operation</b>						
1 Revenue from operations	12,570	11,153	8,640	34,041	25,882	37,365
2 Investment Income	3,544	4,603	4,182	12,245	13,885	19,806
3 Other income	1,161	1,161	910	4,028	3,610	4,657
4 <b>Total income (1+2+3)</b>	<b>17,275</b>	<b>16,917</b>	<b>13,732</b>	<b>50,314</b>	<b>43,377</b>	<b>61,828</b>
5 <b>Expenses</b>						
a) Employee benefits expense	2,925	2,874	2,632	8,807	7,673	11,662
b) Finance costs	25	37	27	86	79	96
c) Depreciation and amortisation expense	1,115	1,091	1,254	3,216	3,524	5,028
d) Computer technology related expenses	3,038	2,546	2,455	8,484	7,014	9,635
e) Administration and other expenses	3,238	3,057	3,124	9,348	9,593	14,518
<b>Total expenses (5a to 5e)</b>	<b>10,341</b>	<b>9,605</b>	<b>9,492</b>	<b>29,941</b>	<b>27,883</b>	<b>40,939</b>
6 <b>Profit before exceptional items and tax (4 - 5)</b>	6,934	7,312	4,240	20,373	15,494	20,889
7 <b>Exceptional Items (net) (refer note 4, 5 and 7)</b>	75	47	-	122	2,079	2,079
8 <b>Profit before tax and share of net profits of Investments accounted for using equity method (6 - 7)</b>	<b>6,859</b>	<b>7,265</b>	<b>4,240</b>	<b>20,251</b>	<b>13,415</b>	<b>18,810</b>
9 Share of Profit of Joint Venture	17	40	23	80	76	107
10 Share of Profit of Associate	609	641	-	1,250	-	-
11 <b>Profit before tax (8 + 9 + 10)</b>	<b>7,485</b>	<b>7,946</b>	<b>4,263</b>	<b>21,581</b>	<b>13,491</b>	<b>18,917</b>
12 <b>Tax expense</b>	1,618	1,263	(73)	4,058	555	1,066
13 <b>Net Profit after tax for the period from Continuing Operation (11-12)</b>	<b>5,867</b>	<b>6,683</b>	<b>4,336</b>	<b>17,523</b>	<b>12,936</b>	<b>17,851</b>
14 <b>Discontinued operation (refer note 6)</b>						
14 Profit before tax from discontinued operation	-	-	2,868	3,169	8,885	11,656
15 Gain on sale of subsidiary (on loss of control)	-	-	-	46,175	-	-
16 <b>Profit from discontinued operation before taxes (14+15)</b>	-	-	<b>2,868</b>	<b>49,344</b>	<b>8,885</b>	<b>11,656</b>
17 Tax expense on discontinued operation	-	-	831	622	2,578	2,998
18 <b>Profit from discontinued operation (16-17)</b>	-	-	<b>2,037</b>	<b>48,722</b>	<b>6,307</b>	<b>8,658</b>
19 <b>Net Profit from total operation for the period / year (13+18)</b>	<b>5,867</b>	<b>6,683</b>	<b>6,373</b>	<b>66,245</b>	<b>19,243</b>	<b>26,509</b>
Net Profit attributable to the shareholders of the Company	5,867	6,683	5,277	64,920	16,046	22,057
Net Profit attributable to the non controlling interest	-	-	1,096	1,325	3,197	4,452
20 <b>Other comprehensive Income (net of taxes)</b>	<b>(186)</b>	<b>212</b>	<b>(70)</b>	<b>(20)</b>	<b>(125)</b>	<b>(642)</b>
21 <b>Total Comprehensive Income for the period / year (19+20)</b>	<b>5,681</b>	<b>6,895</b>	<b>6,303</b>	<b>66,225</b>	<b>19,118</b>	<b>25,867</b>
Total comprehensive income attributable to the shareholders of the Company	5,681	6,895	5,220	64,900	15,935	21,431
Total comprehensive income attributable to the non controlling interest	-	-	1,083	1,325	3,183	4,436
22 Paid up Equity Share Capital (Face Value Per Share ₹ 2 each)	1,076	1,076	1,074	1,076	1,074	1,076
23 Other Equity	-	-	-	-	-	2,65,164
24 <b>Earnings per equity share (Face Value Per Share ₹ 2 each)</b>						
<b>Continuing Operations</b>						
Basic and Diluted before exceptional items (₹) (Refer note below)	10.84	12.30	7.94	32.25	26.19	35.19
Basic and Diluted after exceptional item (₹) (Refer note below)	10.75	12.24	7.94	32.10	23.70	32.70
<b>Total Operations</b>						
Basic and Diluted after exceptional item (₹) (Refer note below)	10.75	12.24	9.67	118.93	29.39	40.41

Note: Basic and Diluted EPS is not annualised for the quarter and nine months ended results. EPS is calculated on shares issued by BSE Limited (the "Parent Company"). The shareholders of the Parent Company, at the Extraordinary General Meeting (EGM) held on November 25, 2016 accorded their consent to the consolidation of the entire authorised and issued share capital of the Parent Company by increasing the nominal value of the equity share from Re. 1/- (Rupee one only) each to Rs. 2/- (Rupees two only) each, so that every two equity shares with nominal value of Re. 1/- (Rupee one only) each held by a shareholder are consolidated and re-designated into one equity share with a nominal value of Rs. 2/- each. Accordingly, the revised share capital of the Parent Company now stands at 54,588,172 equity shares of Rs. 2/- each. EPS for all the period is calculated on the basis of said number of shares as per the requirement of Indian Accounting Standard (Ind AS) 33 "Earnings per Share".



- 1 The above consolidated unaudited financial results for the quarter and nine months ended December 31, 2017 have been reviewed by the Audit Committee on February 2, 2018 and approved by the Board of Directors on February 2, 2018 and the statutory auditors of the Company have conducted a "Limited Review" of the above consolidated unaudited financial results for the quarter and nine months ended December 31, 2017.
- 2 The above consolidated unaudited financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 3 The group operated in two reportable business segments viz: Stock Exchange Operations and Depository Services. However, pursuant to the partial disinvestment in a subsidiary which is enumerated in note 6, the group is operating only in one Segment viz. Facilitating Trading in Securities and other related ancillary Services as at the reporting date, and therefore has only one reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- 4 The following regulation / circulars issued by SEBI from time to time requires the recognition by the Parent Company of a Settlement Guarantee Fund and the transfer of the same to its clearing corporation and the contribution of a Minimum Required Corpus to a Core Settlement Guarantee Fund ("Core SGF") from time to time:
  - a) As per Regulation 33 of The Securities Contracts (Regulations) (SECC) Regulations, 2012 (the "Regulation") issued on June 20, 2012, every recognized stock exchange is required to transfer twenty five percent of its annual profits every period / year to a fund of the recognized clearing corporation which clears and settles trades executed on that stock exchange to guarantee the settlement of trades.
  - b) As per Circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014 issued by the Securities and 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.
  - c) Further, a clarification was issued as per Circular SEBI/HO/MRD/DRMNP/CIR/P/2016/54 dated May 4, 2016 based on a recommendation given by the Expert Committee constituted by SEBI. It was clarified that twenty five per cent of profits till the date of amendment of Regulation 33 of SECC Regulations, 2012, shall be transferred by the Stock Exchange to the Core SGF maintained by Clearing Corporation within such time as may be specified by SEBI.
  - d) Thereafter, on August 29, 2016, SEBI amended Regulation 33 of SECC Regulations, 2012. Accordingly, the Parent Company made provision for transfer of twenty-five percent of its profit till August 29, 2016 (pro-rata based on profit for the six months ended September 30, 2016), being the date of the amendment, towards Settlement Guarantee Fund.

The above Regulations / Circulars were given effect to in the Financial Results as under :

For the nine months ended December 31, 2016 and year ended March 31, 2017 a sum of ₹ 2,079 lakh (pursuant to the amendment of Regulation 33 of SECC Regulations, 2012 by SEBI enumerated in 4d) was charged to the Statement of Profit and Loss, being 25% of the profits earned till August 29, 2016, and disclosed as an "Exceptional Item" in the financial results. As specified by SEBI, the amount payable by the Exchange in respect of the SGF was subsequently paid to the Core Settlement Guarantee Fund.


- 5 The Parent Company implemented a Voluntary Retirement Scheme 2017 (VRS) for all its eligible employees. Post the closure of the Scheme an expense of ₹ 47 lakh has been recognised for the quarter ended September 30, 2017 and nine months ended December 31, 2017 and has been disclosed as an "Exceptional Item".
- 6 The Parent Company has partially divested its stake in a subsidiary company on June 29, 2017. The divestment has resulted in a loss of control and therefore the profit on sale of the investment in the subsidiary (including the Remeasurement of the retained investment at fair value in accordance with Ind AS 110 "Consolidated Financial Statements") amounting to ₹ 45,118 lakh has been credited to the Consolidated Statement of Profit and Loss during the nine months ended December 31, 2017. The residual investment retained in the subsidiary now considered as an investment in an associate.  
Further, the Parent Company had partially divested its stake in the above subsidiary in October, 2016, which did not result in a loss of control and hence the profit on divestment amounting to ₹ 1,057 lakh was credited to Retained Earnings under the head Other Equity during the year ended March 31, 2017. The said profit of 1,057 lakh is now credited to the Consolidated Statement of Profit and Loss during the nine months ended December 31, 2017.  
Since the operations of the above subsidiary represent a separate major line of business which has been disposed of, the disclosures required by Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" have been presented in the financial results for the periods upto date of loss of control.



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- 7 Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017 (INDIA INX Circular no-20171017-1, dated October 17, 2017), India International Exchange (IFSC) Limited (Subsidiary Company) had launched Liquidity Enhancement Scheme (LES) to enhance liquidity in INDIA INX's Futures & Options Segment. LES was launched on November 01, 2017 and an expense of ₹ 75 Lakhs has been incurred towards the Scheme for the quarter and nine month ended December 31, 2017 considering the special nature of this expense, the same has been recognised as an exceptional item.
- 8 Basic and Diluted Earnings per Share (not annualised) for the discontinued operations is ₹ 1.73 for the quarter ended December 31, 2016, ₹ 86.83 for the nine months ended December 31, 2017, ₹ 5.69 for the nine months ended December 31, 2016 and ₹ 7.71 for the year ended March 31, 2017.
- 9 The Board of Directors of the parent Company at its meeting held on January 15, 2018, has inter-alia approved the Buyback proposal for purchase by the parent Company of its fully paid-up equity shares of face value of ₹ 2/- each ("Equity Shares" and such buyback, the "Buyback"), from the shareholders/beneficial owners of the Company, at a price not exceeding ₹ 1,100 (Rupees One Thousand and One Hundred Only) per Equity Share ("Maximum Buyback Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buy-back Regulations") and the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).  
The Buyback shall not exceed Rs. 166.00 crore (Rupees One Hundred Sixty Six crore only), excluding brokerage costs, fees, turnover charges, taxes such as securities transaction tax and goods and service tax (if any), stamp duty and other transaction charges ("Maximum Buyback Size"). The Maximum Buyback Size represents 9.99% of the aggregate of the Company's paid-up Equity Share capital and free reserves based on the standalone audited financial statements of the Company as at March 31, 2017, which is in compliance with the maximum permissible limit of 10% of the total paid-up equity share capital and free reserves in accordance with Section 68(2) of the Companies Act, 2013.
- 10 The Board of Directors of the parent Company at its meeting held on February 2, 2018 have recommended a payment of interim dividend of ₹ 5 per equity share of face value ₹ 2 each.
- 11 Previous quarter's / period's / year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current quarter's / period's classification / disclosure.

For and on behalf of Board of Directors of  
**BSE LIMITED**

  
**Ashishkumar Chauhan**  
**Managing Director & CEO**

Mumbai, February 2, 2018

