**BSE Limited**
**CIN U67120MH2005PLC155188**
**(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 and six months ended September 30, 2016**

(₹ In Lakh)

| | PARTICULARS | For the quarter ended September 30, 2016 (Unaudited) | For the quarter ended June 30, 2016 (Unaudited) | For the quarter ended September 30, 2015 (Unaudited) | For the six months ended September 30, 2016 (Audited) | For the six months September 30, 2015 (Audited) | For the year ended March 31, 2016 (Audited) |
|---|---|---|---|---|---|---|---|
| **I.** | **INCOME** | | | | | | |
| | a) Operating Income | 12,916 | 11,240 | 9,821 | 24,156 | 19,076 | 42,479 |
| | b) Investments and Deposits Income | 6,303 | 5,521 | 5,429 | 11,824 | 10,380 | 21,018 |
| | **Total Income** | **19,219** | **16,761** | **15,250** | **35,980** | **29,456** | **63,497** |
| **II.** | **EXPENDITURE** | | | | | | |
| | a) Employee Costs | 3,171 | 2,949 | 2,537 | 6,120 | 5,070 | 10,738 |
| | b) Computer Technology Related Expenses | 2,560 | 2,417 | 1,859 | 4,977 | 3,704 | 8,064 |
| | c) Depreciation and Amortisation | 1,262 | 1,179 | 1,264 | 2,441 | 2,510 | 5,367 |
| | d) Administration and Other Expenses | 3,623 | 4,107 | 4,229 | 7,730 | 8,609 | 16,953 |
| | **Total Expenditure** | **10,616** | **10,652** | **9,889** | **21,268** | **19,893** | **41,122** |
| **III.** | **Profit from Operations before Other Income, Finance costs, Exceptional items and Tax** | **8,603** | **6,109** | **5,361** | **14,712** | **9,563** | **22,375** |
| | Other Income | 1,001 | 1,610 | 855 | 2,611 | 1,686 | 3,512 |
| **IV.** | **Profit from Ordinary Activities before Finance costs, Exceptional items and Tax** | **9,604** | **7,719** | **6,216** | **17,323** | **11,249** | **25,887** |
| | Finance costs | 37 | 15 | 5 | 52 | 11 | 33 |
| **V.** | **Profit from Ordinary Activities before Exceptional items and Tax** | **9,567** | **7,704** | **6,211** | **17,271** | **11,238** | **25,854** |
| | Exceptional items (Refer notes 4 to 8) | 718 | 1,361 | 1,570 | 2,079 | 2,334 | 4,660 |
| **VI.** | **Profit from Ordinary Activities before Tax** | **8,849** | **6,343** | **4,641** | **15,192** | **8,904** | **21,194** |
| | Tax Expense (net) | 1,274 | 1,101 | 440 | 2,375 | 1,015 | 3,705 |
| **VII.** | **Net Profit after tax before share of Profit / (Loss) from Joint Venture/ Associate for the period / year** | **7,575** | **5,242** | **4,201** | **12,817** | **7,889** | **17,489** |
| | Share of Profit of Joint Ventures | 25 | 28 | 80 | 53 | 155 | 251 |
| | Share of Loss of Associate | - | - | (9) | - | (18) | (27) |
| **VIII.** | **Net Profit after tax for the period / year** | **7,600** | **5,270** | **4,272** | **12,870** | **8,026** | **17,713** |
| | *Net Profit attributable to the shareholders of the Company* | **6,399** | **4,370** | **3,449** | **10,769** | **6,625** | **13,293** |
| | *Net Profit attributable to the non controlling interest* | **1,201** | **900** | **823** | **2,101** | **1,401** | **4,420** |
| **IX.** | **Other Comprehensive Income** | | | | | | |
| | *Items that will not be reclassified to profit or loss* | (80) | 7 | (52) | (73) | (43) | 5 |
| | *Income tax relating to items that will not be reclassified to profit or loss* | (23) | 5 | (17) | (18) | (14) | 2 |
| | **Total Other Comprehensive Income (net of tax)** | **(57)** | **2** | **(35)** | **(55)** | **(29)** | **3** |
| **X.** | **Total Comprehensive Income for the period / year** | **7,543** | **5,272** | **4,237** | **12,815** | **7,997** | **17,716** |
| | *Net Profit attributable to the shareholders of the Company* | **6,342** | **4,373** | **3,413** | **10,715** | **6,595** | **13,298** |
| | *Net Profit attributable to the non controlling interest* | **1,201** | **899** | **824** | **2,100** | **1,402** | **4,418** |
| | Paid up Equity Capital (Face Value Per Share ₹ 1 Each) | 1,074 | 1,074 | 1,074 | 1,074 | 1,074 | 1,074 |
| | Other Equity | | | | | | 2,51,219 |
| **XI.** | **Earnings per equity share (par value ₹ 1/- each)** | | | | | | |
| | **Before exceptional items (net of non controlling interest)** | | | | | | |
| | Basic and Diluted EPS (Refer note below) | 6.29 | 4.82 | 4.10 | 11.11 | 7.47 | 15.87 |
| | **After exceptional items** | | | | | | |
| | Basic and Diluted EPS (Refer note below) | 5.86 | 4.00 | 3.16 | 9.86 | 6.07 | 12.18 |

Note: Basic and Diluted EPS is not annualised for the quarter and six months ended results. EPS is calculated on shares issued by the Company.

**STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2016**

₹ in Lakh

| | Particulars | As at September 30, 2016 (Audited) | As at March 31, 2016 (Audited) |
|---|---|---|---|
| A | **ASSETS** | | |
| 1 | **Non-current assets** | | |
| | (a) Property, Plant and Equiptment | 13,120 | 13,478 |
| | (b) Capital work-in-progress | 746 | 60 |
| | (c) Investment property | 355 | 364 |
| | (d) Goodwill | 8,504 | 8,504 |
| | (e) Other Intangible Assets | 1,689 | 1,746 |
| | (f) Intangible assets under development | 181 | 203 |
| | (g) Financial Assets | | |
| | (i) Investments | 1,36,900 | 1,54,437 |
| | (ii) Other Financial Assets | 30,243 | 33,154 |
| | (h) Other Non Current Tax Assets | 8,655 | 10,833 |
| | (i) Deferred tax Assets (net) | 919 | 258 |
| | (j) Other Non Current Assets | 153 | 244 |
| | **Total - Non-current assets** | **2,01,465** | **2,23,281** |
| 2 | **Current assets** | | |
| | (a) Financial Assets | | |
| | (i) Investments | 85,258 | 57,045 |
| | (ii) Trade receivables | 6,243 | 4,719 |
| | (iii) Cash and bank balances | 24,914 | 39,858 |
| | (iv) Bank balances other than (iii) above | 1,17,171 | 90,075 |
| | (v) Other Financial Assets | 10,098 | 7,475 |
| | (b) Other Current Assets | 3,820 | 1,560 |
| | **Total -Current assets** | **2,47,504** | **2,00,732** |
| | **TOTAL - ASSETS** | **4,48,969** | **4,24,013** |
| B | **EQUITY AND LIABILITIES** | | |
| 3 | **Equity** | | |
| | (a) Equity Share capital | 1,074 | 1,074 |
| | (b) Other Equity | 2,56,550 | 2,51,219 |
| | **Total Equity** | **2,57,624** | **2,52,293** |
| 4 | **Non Controlling Interest** | **24,386** | **23,727** |
| | **Core Settlement Guarantee Fund** | **19,206** | **17,605** |
| 5 | **Non-current liabilities** | | |
| | (a) Financial Liabilities | | |
| | Other Financial Liabilities | 487 | 639 |
| | (b) Provisions | 140 | 80 |
| | (c) Other non-current liabilities | 111 | 95 |
| | **Total Non-current liabilities** | **738** | **814** |
| 6 | **Current liabilities** | | |
| | (a) Financial Liabilities | | |
| | (i) Trade payables | 5,307 | 4,587 |
| | (ii) Other Financial Liabilities | 1,06,438 | 1,08,586 |
| | (b) Provisions | 1,251 | 1,205 |
| | (c) Current Tax Liabilities (Net) | 2,313 | 1,194 |
| | (d) Other current liabilities | 31,706 | 14,002 |
| | **Total Current liabilities** | **1,47,015** | **1,29,574** |
| | **TOTAL - EQUITY AND LIABILITIES** | **4,48,969** | **4,24,013** |

1 The above consolidated financial results for the quarter ended and six months ended September 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors on October 28, 2016. The financial statements are prepared in accordance with the Indian Accounting Standard (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.

2 These financial statements are the Company's first year's Ind-AS financial statements. The Company has adopted all the Ind-AS standards and the adoptions were carried out in accordance with Ind-AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP.

3 Segment Reporting

₹ in Lakh

| Sr. No | Particulars | For the quarter ended September 30, 2016 (Unaudited) | For the quarter ended June 30, 2016 (Unaudited) | For the quarter ended September 30, 2015 (Unaudited) | For the six months ended September 30, 2016 (Audited) | For the six months September 30, 2015 (Audited) | For the year ended March 31, 2016 (Audited) |
|---|---|---|---|---|---|---|---|
| A | **Segment Revenue** | | | | | | |
| | (a) Stock Exchange Activity | 14,111 | 12,442 | 11,201 | 26,553 | 22,010 | 46,919 |
| | (b) Depository Activity | 4,939 | 4,191 | 3,903 | 9,130 | 7,162 | 16,009 |
| | **Total** | **19,050** | **16,633** | **15,104** | **35,683** | **29,172** | **62,928** |
| | Less : Inter Segment Revenue | - | - | - | - | - | - |
| | **Total Income** | **19,050** | **16,633** | **15,104** | **35,683** | **29,172** | **62,928** |
| B | **Segment Results before exceptional items** | | | | | | |
| | (a) Stock Exchange Activity | 8,125 | 5,614 | 6,405 | 13,739 | 9,873 | 21,212 |
| | (b) Depository Activity | 3,601 | 2,866 | 2,537 | 6,467 | 4,443 | 10,784 |
| | **Total** | **11,726** | **8,480** | **8,942** | **20,206** | **14,316** | **31,996** |
| | **Less : Exceptional Items** | **718** | **1,361** | **1,570** | **2,079** | **2,334** | **4,660** |
| C | **Segment Results after exceptional items** | | | | | | |
| | (a) Stock Exchange Activity | 7,407 | 4,253 | 4,835 | 11,660 | 7,539 | 13,242 |
| | (b) Depository Activity | 3,601 | 2,866 | 2,537 | 6,467 | 4,443 | 14,094 |
| | **Total** | **11,008** | **7,119** | **7,372** | **18,127** | **11,982** | **27,336** |
| | Add : Unallocated Corporate Income | 1,170 | 1,738 | 1,001 | 2,908 | 1,970 | 4,081 |
| | Less : Unallocated Corporate Expenses | 3,329 | 2,514 | 3,732 | 5,843 | 5,048 | 10,223 |
| D | **Net Profit before tax before share of Profit / (Loss) from Joint Venture/ Associate for the period / year** | **8,849** | **6,343** | **4,641** | **15,192** | **8,904** | **21,194** |
| | Less : Provision for taxation | 1,274 | 1,101 | 440 | 2,375 | 1,015 | 3,705 |
| E | **Profit after taxation before share of Profit / (Loss) from Joint Venture/ Associate for the period / year** | **7,575** | **5,242** | **4,201** | **12,817** | **7,889** | **17,489** |

| Sr. No | Particulars | For the six months ended September 30, 2016 (Audited) | For the year ended March 31, 2016 (Audited) |
|---|---|---|---|
| A | **Segment Assets** | | |
| | (a) Stock Exchange Activity | 3,55,461 | 3,32,689 |
| | (b) Depository Activity | 58,330 | 53,686 |
| | (c) Unallocated | 35,178 | 37,638 |
| | **Total** | **4,48,969** | **4,24,013** |
| B | **Segment Liabilities** | | |
| | (a) Stock Exchange Activity | 1,53,816 | 1,39,582 |
| | (b) Depository Activity | 8,837 | 5,257 |
| | (c) Unallocated | 4,306 | 3,154 |
| | **Total** | **1,66,959** | **1,47,993** |

4 The following regulation / circulars issued by SEBI from time to time requires the recognition by the 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 & 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 No 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 has amended Regulation 33 of SECC Regulations, 2012. Accordingly, the Company has 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 Statements as under

i) The Exchange's last year's contribution of ₹ 1,741 lakh towards the MRC has been charged to the Statement of Consolidated Financial Results under the head "Administration and Other Expenses". The contribution to the Core SGF has been adjusted against the transfer of profit by the Company as per the Regulation mentioned above.

ii) Further, SEBI circular SEBI/HO/MRD/DRMNP/CIR/P/2016/54 dated May 4, 2016 (the "2016 circular") reiterates that 25% of profits has to be transferred to the Settlement Guarantee Fund (SGF). Pursuant to the 2016 circular, the cumulative amount required to be transferred to the said SGF till March 31, 2016 amounts to ₹ 9,742 lakh being 25% of the profits of the Company after tax, available before making such contribution. The Exchange had already contributed and charged ₹ 4,320 lakh to the Statement of Standalone Financial Results towards 25% of the MRC to the Core Settlement Guarantee Fund. After adjusting the investment income accrued on the Exchange's contribution to the Core SGF amounting to ₹ 279 lakh, the balance amount of ₹ 5,143 lakh was charged to the Statement of Standalone Financial Results as an "Exceptional Item" during year ended March 31, 2016. The amount payable by the Exchange in respect of the SGF as at March 31, 2016 was disclosed under the head "Other Current Liabilities" and is payable to the Core Settlement Guarantee Fund within such time as specified by SEBI.

iii) During the six months ended September 30, 2016 ₹ 2,079 lakh has been charged to the Consolidated Statement of Profit and Loss, being 25% of the profits earned till August 29, 2016 (pro-rata based on profit for the six months ended September 30, 2016), as an "Exceptional Item". As at September 30, 2016 the amount of ₹ 6,554 lakh payable by the Exchange in respect of the SGF has been disclosed under the head "Other current liabilities" and is payable to the Core Settlement Guarantee Fund within such time to be specified by SEBI.

5 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, ₹ 1,281 lakh and ₹ 1,724 lakh has been incurred towards the programmes for the quarter ended September 30, 2015, six months ended September 30, 2016 and year ended March 31, 2016 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.

6 Based on a direction received from SEBI during the year ended March 31, 2016 , the Company has charged an amount of ₹ 460 Lakh to the Statement of Consolidated Financial Results which was 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.

7 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 ₹ 643 lakh has been charged in the Consolidated Statement of Financial Results being the difference between the sale price and net-worth for the year ended March 31, 2016 in the consolidated financial results.

8 SEBI had issued Depositories and Participants (Amendment) Regulations, 2012 on September 11, 2012 (the "2012 Regulations"). According to the 2012 Regulations, depositories are required 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 25% of its profits every year to the Investor Protection Fund. Accordingly, the Subsidiary Company had accrued and credited a total sum of ₹ 3,852 lakh from FY 2012-13 to FY 2014-15 to the IPF as at March 31, 2015.

On January 21, 2016, SEBI has issued the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2016 (the "Amended Regulations"). According to these Amended Regulations, every depository shall credit only 5% or such percentage as may be specified by the Board, of its profits from depository operations every year to the IPF. Further, it is stated that these Amended Regulations shall be deemed to have come into force from September 11, 2012. Pursuant to the aforesaid Amended Regulations, the amount to be accrued and credited to the IPF as at March 31, 2015 is reduced to ₹ 542 lakh. Consequently, the excess amounts of ₹ 3,310 lakh credited earlier to the IPF has been written back and the same has been disclosed as exceptional item in the Statement of Profit and Loss for the year ended March 31, 2016

9 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. Subsequent to the six months ended September 30, 2016, the Company has transferred 4.15% equity stake of CDSL. The Company holds 50.05% equity stake in CDSL post the sale.

10 Reconciliation of Statement of Profit and Loss as previously reported under IGAAP to Ind-AS

₹ in Lakh

| Particulars | For the quarter ended September 30, 2015 (Unaudited) | For the six months ended September 30, 2015 (Audited) | For the year ended March 31, 2016 (Audited) |
|---|---|---|---|
| Net Profit after tax before minority Interest under previous GAAP | 3,563 | 4,240 | 13,309 |
| Reversal of Contribution to Core SGF Prior Period Item adjusted to Opening Retained Earnings | - | 2,579 | 2,579 |
| Remeasurement of defined benefit plans recognised in Other Comprehensive Income | 52 | 43 | (5) |
| Effect of measuring investments at Fair Value through profit or loss | 674 | 1,234 | 2,413 |
| Effect of measuring investments at effective interest rate | 33 | 36 | 59 |
| Reversal of amortisation of Goodwill / Impairment loss on Goodwill | 195 | 390 | - |
| Depreciation adjustment | (23) | (71) | (51) |
| Deferred taxes adjustments | (221) | (419) | (583) |
| Others | (1) | (6) | (8) |
| Net Profit for the quarter / period / year as per Ind AS | **4,272** | **8,026** | **17,713** |
| Other Comprehensive Income | (35) | (29) | 3 |
| Total Comprehensive Income for the quarter / year as per Ind AS | **4,237** | **7,997** | **17,716** |

11 Previous quarter's / period's / year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current

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

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

Mumbai, October 28, 2016