

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors,**  
**BSE Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of BSE Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

## **5. Emphasis of Matter**

We draw attention to Note 11 to the Statement, in respect of contribution required to be made as on September 30, 2020, of Rs. 1,267 lakhs to Core Settlement Guarantee Fund ('core SGF') by the Company to clearing corporations other than Indian Clearing Corporation Limited. Considering the representation made by the Company to Securities Exchange Board of India ('SEBI') and pending final decision from SEBI in this regard, no impact has been considered in the Statement.

Our conclusion is not modified in respect of this matter.

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

Chartered Accountants

**ICAI Firm registration number: 301003E/E300005**

**JAYESH  
MANHARLAL  
GANDHI**

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**per Jayesh Gandhi**

Partner

Membership No.: 037924

UDIN: 20037924AAAAOP5925

Mumbai

November 07, 2020



BSE Limited

CIN L67120MH2005PLC155188

(Formerly known as Bombay Stock Exchange Limited)

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

Statement of Standalone Financial Results for the quarter and six months ended September 30, 2020

(₹ in Lakh)

PARTICULARS	For the quarter ended September 30, 2020	For the quarter ended June 30, 2020	For the quarter ended September 30, 2019	For the six months ended September 30, 2020	For the six months ended September 30, 2019	For the year ended March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	1 Revenue from operations	10,745	8,530	9,047	19,275	18,595
2 Investment Income	2,793	4,732	4,774	7,525	8,972	13,956
3 Other income (refer note 5 and 6)	1,131	546	612	1,677	1,101	2,394
<b>4 Total income (1+2+3)</b>	<b>14,669</b>	<b>13,808</b>	<b>14,433</b>	<b>28,477</b>	<b>28,668</b>	<b>54,213</b>
<b>5 Expenses</b>						
a) Employee benefits expense	2,202	2,309	2,419	4,511	4,814	9,390
b) Finance costs (refer note 4b)	3	-	-	3	-	-
c) Depreciation and amortisation expense	1,279	1,129	1,075	2,408	2,101	4,355
d) Computer technology related expenses	2,668	3,079	3,257	5,747	6,595	13,090
e) Settlement of service tax matter (refer note 9)	-	-	-	-	-	366
f) Provision for Additional Contribution to ISF and IPF (refer note 6)	-	-	-	-	-	1,861
g) Administration and other expenses	4,023	3,640	4,341	7,663	7,693	16,568
h) Liquidity enhancement scheme expenses (refer note 10)	491	201	-	692	-	219
<b>Total expenses (5a to 5h)</b>	<b>10,666</b>	<b>10,358</b>	<b>11,092</b>	<b>21,024</b>	<b>21,203</b>	<b>45,849</b>
<b>6 Profit before exceptional item and tax (4-5)</b>	<b>4,003</b>	<b>3,450</b>	<b>3,341</b>	<b>7,453</b>	<b>7,465</b>	<b>8,364</b>
<b>7 Exceptional item (net) (refer note 4a and 4b)</b>	<b>(1,453)</b>	<b>-</b>	<b>-</b>	<b>(1,453)</b>	<b>-</b>	<b>9,158</b>
<b>8 Profit before tax (6+7)</b>	<b>2,550</b>	<b>3,450</b>	<b>3,341</b>	<b>6,000</b>	<b>7,465</b>	<b>17,522</b>
9 Tax expense (refer note 5)	(318)	216	(581)	(102)	107	155
<b>10 Profit for the period / year (8-9)</b>	<b>2,868</b>	<b>3,234</b>	<b>3,922</b>	<b>6,102</b>	<b>7,358</b>	<b>17,367</b>
11 Other comprehensive income (net of taxes)	22	189	(48)	211	(19)	(25)
<b>12 Total comprehensive income for the period / year (10+11)</b>	<b>2,890</b>	<b>3,423</b>	<b>3,874</b>	<b>6,313</b>	<b>7,339</b>	<b>17,342</b>
13 Paid up equity share capital (face value per share ₹ 2 Each)	900	900	900	900	900	900
14 Other equity						2,15,601
<b>15 Earnings per equity share (face value per share ₹ 2 Each)</b>						
Basic and diluted before exceptional item (₹) (refer note below)	8.33	7.06	7.51	15.39	14.05	16.72
Basic and diluted after exceptional item (₹) (refer note below)	6.26	7.06	7.51	13.32	14.05	35.37

Note: Basic and diluted EPS is not annualised for the quarter and six months ended results. EPS is calculated on outstanding shares issued by BSE Limited (the "Company") including shares held in abeyance.

**BSE Limited**  
(Formerly known as Bombay Stock Exchange Limited)  
Standalone Balance Sheet as at September 30, 2020

(₹ in Lakh)

PARTICULARS		As at September 30, 2020	As at March 31, 2020
		Unaudited	Audited
<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>		
	a. Property, plant and equipment	9,878	9,096
	b. Capital work-in-progress	-	827
	c. Investment properties	402	412
	d. Goodwill	-	-
	e. Intangible assets	3,123	2,334
	f. Intangible assets under development	788	1,489
	g. Financial assets		
	i. Investments		
	a. Investments in subsidiaries	69,905	68,850
	b. Investments in associates	4,723	4,723
	c. Other investments	24,661	38,749
	ii. Other financial assets	9,082	8,856
	h. Deferred tax assets (net)	12,103	10,804
	i. Income tax assets (net)	5,882	5,634
	j. Other assets	8	14
	<b>Total non-current assets</b>	<b>1,40,555</b>	<b>1,51,788</b>
<b>2</b>	<b>Current assets</b>		
	a. Financial assets		
	i. Investments	1,12,029	1,03,708
	ii. Trade receivables	7,335	5,195
	iii. Cash and cash equivalents	3,921	3,011
	iv. Bank balances other than (iii) above	23,139	17,376
	v. Other financial assets	783	315
	b. Other assets	4,510	836
	<b>Total current assets</b>	<b>1,51,717</b>	<b>1,30,441</b>
	<b>Total assets (1+2)</b>	<b>2,92,272</b>	<b>2,82,229</b>
<b>EQUITY AND LIABILITIES</b>			
<b>3</b>	<b>Equity</b>		
	a. Equity share capital	900	900
	b. Other equity	2,14,127	2,15,601
	<b>Total equity</b>	<b>2,15,027</b>	<b>2,16,501</b>
<b>Liabilities</b>			
<b>4</b>	<b>Non-current liabilities</b>		
	a. Financial liabilities		
	Other financial liabilities	751	676
	b. Other liabilities	46	88
	<b>Total non-current liabilities</b>	<b>797</b>	<b>764</b>
<b>5</b>	<b>Current liabilities</b>		
	a. Financial liabilities		
	i. Trade payables		
	a. Total outstanding dues of micro enterprises and small enterprises	1	16
	b. Total outstanding dues of creditors other than micro enterprises and small enterprises	7,421	6,756
	ii. Other financial liabilities	38,888	39,686
	b. Provisions	1,036	1,114
	c. Income tax liabilities (net)	701	944
	d. Other liabilities	28,401	16,448
	<b>Total Current Liabilities</b>	<b>76,448</b>	<b>64,964</b>
	<b>Total Equity and Liabilities (3+4+5)</b>	<b>2,92,272</b>	<b>2,82,229</b>

**BSE Limited**  
(Formerly known as Bombay Stock Exchange Limited)  
CIN L67120MH2005PLC155188  
**Cash Flow Statement for the six months period ended September 30, 2020**

(₹ in Lakh)

PARTICULARS	For the six months ended Sep 30, 2020	For the six months ended Sep 30, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit for the six months period ended</b>	6,102	7,358
<b>Adjustments for</b>		
Income tax expenses recognised in profit and loss	(102)	107
Depreciation and amortisation expenses	2,408	2,101
Impairment loss on financial assets carried at cost	9	260
Net gain on disposal of property, plant and equipment and intangible assets	-	(4)
Impairment loss on financial assets and bad debts write off	953	583
Finance cost	3	-
Provision towards Arbitration expenses	1,453	-
Net gain arising on financial assets measured at FVTPL	(6,351)	(6,847)
Interest income	(231)	(173)
Dividend income	(943)	(1,952)
Provision for compensated absences	298	228
<b>Operating profit before working capital changes</b>	<b>3,599</b>	<b>1,661</b>
<b>Movements in working capital</b>		
(Increase) / decrease in trade receivables	(3,093)	(1,934)
Increase/ (decrease) in trade payables	650	3,055
Increase/ (decrease) in provisions	(78)	(122)
(Increase) / decrease in other financial assets and other assets	(3,872)	(3,742)
Increase / (decrease) in other financial liabilities and other liabilities	11,575	16,745
<b>Cash generated from / (used in) operations</b>	<b>8,781</b>	<b>15,663</b>
Direct taxes paid (net of refunds)	(1,834)	(2,184)
<b>Net cash generated from / (used in) operating activities</b>	<b>6,947</b>	<b>13,479</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Fixed assets</b>		
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(2,904)	(1,697)
Proceeds from sale of fixed assets	-	8
<b>Investments</b>		
Net (increase)/decrease in investment in mutual funds	10,656	46,693
Proceeds received from bonds and non-convertible debentures	-	2,500
Investment in fixed deposits	(48,674)	(12,705)
Proceeds received from fixed deposits	42,671	13,604
Investment in subsidiaries	(1,055)	-
Interest received	113	378
Dividend received from Subsidiaries/Associates and Mutual Fund	943	1,952
<b>Net cash generated from / (used in) investing activities</b>	<b>1,750</b>	<b>50,733</b>

<b>BSE Limited</b> (Formerly known as Bombay Stock Exchange Limited) CIN L67120MH2005PLC155188 <b>Cash Flow Statement for the six months period ended September 30, 2020</b>		
		(₹ in Lakh)
PARTICULARS	For the six months ended Sep 30, 2020	For the six months ended Sep 30, 2019
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment towards buyback including transaction cost	-	(47,637)
Dividend and taxes paid thereon	(7,787)	(15,843)
<b>Net cash used in financing activities</b>	<b>(7,787)</b>	<b>(63,480)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>910</b>	<b>732</b>
<b>Cash and cash equivalents at the beginning of the six months period ended</b>	<b>3,011</b>	<b>1,828</b>
<b>Cash and cash equivalents at the end of the six months period ended *</b>	<b>3,921</b>	<b>2,560</b>
<b>Balances with banks</b>		
In current accounts	236	398
In deposit accounts with original maturity of 3 months	3,685	2,162
<b>* Cash and cash equivalents at the end of six months period ended</b>	<b>3,921</b>	<b>2,560</b>

The accompanying notes form an integral part of the financial statements

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".
2. Movement in earmarked liabilities and assets are not considered.
3. Previous periods' figures have been regrouped wherever necessary.

- 1 The above standalone financial results for the quarter and six months ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors on November 7, 2020 and the statutory auditors of the Company have conducted "Limited Review" of the said standalone financial results.
- 2 The above standalone financial results for the quarter and six months ended September 30, 2020 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 Company operates only in one Business Segment i.e. "Facilitating Trading in Securities and other related ancillary Services", hence does not have any reportable Segments as per Ind-AS 108 "Operating Segments".
- 4 (a) During the previous year, the Company had divested its 4% stake in its associate company Central Depository Services (India) Limited ("CDSL") through offer for sale. The profit on divestment amounting to ₹ 9,158 Lakh was reflected as an "Exceptional Item" in the Standalone Financial Results for the year ended March 31, 2020.  
(b) S & P Dow Jones Indices LLC and SPDJ Singapore Pte Ltd (hereinafter collectively called as "SPDJ") had filed arbitration proceedings against BSE under Singapore International Arbitration Center's rules, inter alia, challenging the termination of index licensing arrangement by BSE Limited. The Final Award passed by the Arbitrator Tribunal dated September 17, 2020 inter-alia, held that the termination of the Agreements by BSE is invalid, the Agreement continue to remain in force and the costs of arbitration, legal and other costs incurred by SPDJ shall be borne by the BSE. Accordingly, an amount of ₹ 1,453 Lakh is payable by BSE to SPDJ with interest upto date of payment. The said amount has been provided in books of accounts for the current quarter and has been disclosed as an "Exceptional item" for the quarter and period ended September 30, 2020. Interest of ₹ 3 Lakh upto September 30, 2020 has also been provided as finance cost.
- 5 (a) Based on the assessment orders received, interest on Income Tax refund, as allowed in the assessments, of ₹ 14 Lakh, ₹ 18 Lakh and ₹ 18 Lakh has been included in "Other Income" for the quarter ended September 30, 2019, six months ended September 30, 2019 and year ended March 31, 2020 respectively.  
(b) A Taxation Laws (Amendment) Ordinance, 2019 ("Ordinance") on September 20, 2019 has amended the Income Tax Act, 1961 and Finance (No. 2) Act, 2019, by which the option has been provided for the lower tax regime without any incentives for the domestic companies. Under the revised tax regime, benefit of accumulated Minimum Alternate Tax (MAT) credit is not allowed. Considering the substantial accumulated MAT credit, the management has assessed that at present it is beneficial not to opt for the option of availing revised income tax rate. The tax liability for the current period and previous period has been accordingly calculated.
- 6 The Company had earlier received observations from SEBI in respect of inspection conducted for the period 2005 – 2017, in which the Company was asked to plough back certain amount to Investors' Services Fund ("ISF") and BSE Investors Protection Fund Trust ("IPF") in respect of expenses charged in the earlier years to these funds. On the basis of response submitted by the Company. In March 2020, SEBI concluded and instructed the company to plough back an amount of ₹ 1,037 Lakh along with interest to the said funds. Consequently, an expense of ₹ 1,385 Lakh was charged to the profit and loss account for the year ended March 31, 2020 along with expense of ₹ 476 Lakh for the year ended March 31, 2018. Accordingly, an amount aggregating to ₹ 1,861 Lakh was disclosed as "Provision for Additional Contribution to ISF and IPF" for the year ended March 31, 2020. Subsequently, based on final amount arrived by SEBI, the company has reassessed amount chargeable to the fund for earlier years and has written back ₹ 595 Lakh to "Other income" in the current quarter.
- 7 The Company and its provident fund trust has an investment of ₹ 1,700 Lakh and ₹ 357 Lakh (including interest of ₹ 76 Lakh) respectively in secured Non-convertible Debentures of IL&FS Group. Considering the status of IL&FS Group Companies, a provision of ₹ 2 Lakh, ₹ 2 Lakh, ₹ 266 Lakh, ₹ 4 Lakh, ₹ 268 Lakh and ₹ 798 Lakh was made during the quarter ended September 30, 2020, quarter ended June 30, 2020, quarter ended September 30, 2019, six months ended September 30, 2020, six months ended September 30, 2019 and year ended March 31, 2020 respectively. An amount of ₹ 1,254 Lakh was already provided in the year March 31, 2019.
- 8 As per the assessment of management, there are no lease contracts for which IND AS 116 – Leases is required to be applied.
- 9 During the previous year, the Company had opted for the Sabka Vishwas (Legacy Dispute Resolution) scheme, 2019 for the settlement of service tax matter of earlier years. Accordingly, an amount of ₹ 366 Lakh was paid under the said scheme, which was charged to the profit and loss account for the year ended March 31, 2020.
- 10 Pursuant to SEBI Circular CIR/MRD/DP/14/2014 dated April 23, 2014 and BSE Notice no-20190805-10, 20190925-31, 20191108-25, with effect from November 25, 2019, the Company has introduced the Liquidity Enhancement Scheme (LES) in derivatives. An expense of ₹ 491 Lakh, ₹ 201 Lakh, ₹ 692 Lakh and ₹ 219 Lakh has been incurred towards the scheme for the quarter ended September 30, 2020, quarter ended June 30, 2020, six months ended September 30, 2020 and year ended March 31, 2020 respectively.

- 11 Interoperability of settlements amongst clearing corporations was implemented from June 2019. After implementation of interoperability, the members have the option to choose the clearing corporation to clear their trades. Based on their selection, the trades of BSE are cleared by respective clearing corporations.
- As per the requirement arising out of August 27, 2014 SEBI Circular on CIR\MRD\DRMNP\25\2014, for contribution by exchange to Core SGF ("Settlement Guarantee Fund"), BSE needs to contribute to Core SGFs of all the Clearing corporations through which its trades are cleared.
- BSE has already contributed ₹ 15,541 Lakh to Indian Clearing Corporation Ltd ("ICCL"), which is in excess by ₹ 12,694 Lakh as compared to the requirement relating to the contribution required to be made to ICCL for Core SGF, as of September 30, 2020. Based on the transactions executed on BSE, which are cleared by other Clearing Corporations, requirement to contribute for Core SGF is ₹ 1,267 Lakh as on September 30, 2020. The Board of the Company has represented SEBI to allow utilisation of excess contribution by BSE lying with ICCL to the requirement of Core SGF contribution to other clearing corporations. The Company has also represented to SEBI that the contribution by exchanges towards Core SGF of clearing corporations may be allowed to be contributed in the form of Bank Fixed Deposit / Government Securities. The Company is awaiting final decision of SEBI in this regard.
- In view of the above, no contribution has been made to other clearing corporations and the Company has not taken any charge for the contribution to Core SGF in the statement of profit and loss. The Management has also assessed that there is no impact on their operations with clearing corporations due to non payment of contribution to Core SGF.
- 12 The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Indian government had announced countrywide lockdown which is continuing at present.
- In this nation-wide lock-down period, though all the services across the nation were suspended, some essential services establishments including securities market participants could operate and were exempted from the lock-down.
- The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.
- 13 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 / year's classification / disclosure.

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

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

Mumbai, November 7, 2020