

Confidential

Date: February 2, 2018

To,

Listing Department

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1

G Block, Bandra-Kurla Complex, Bandra (E)

Mumbai – 400 051

Scrip Code: BSE

ISIN: INE118H01025

Sub: Investor Presentation February 2018

Dear Sir/Madam,

With reference to above captioned subject, please find attached herewith Investor presentation February 2018.

The same will also be available on the website of the Company at www.bseindia.com.

This is for your information and records.

For **BSE Limited**



Prajakta Powle

Company Secretary & Compliance Officer

Encl: a/a

Date: February 2, 2018

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BSE Limited

Investor Presentation - February 2018

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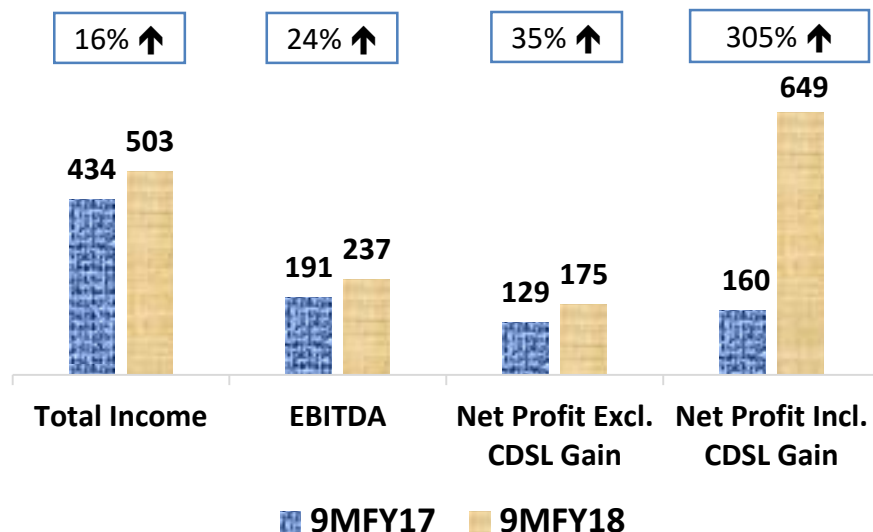
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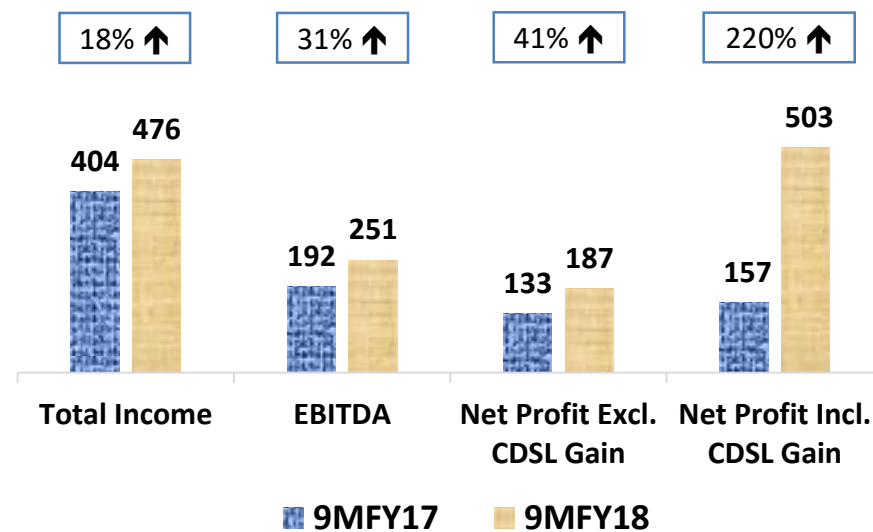
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Performance Highlights - Nine Months ended December 31, 2017

Consolidated (₹ in Crore)



Standalone (₹ in Crore)



KEY FIGURES	Dec'16	Dec'17
Net Worth (₹ crore)	2,636	3,148
Book Value per share (₹)	483	577
Return on Equity excluding CDSL (Annualised)	6.66%	8.00%
EBITDA Margin	44%	47%
Net Margin (Excluding CDSL)	30%	35%
EPS before Excp. items (₹) (Excluding CDSL)	26.19	32.25
EPS after Excp. items (₹) (Including CDSL)	29.39	118.93

KEY FIGURES	Dec'16	Dec'17
Net Worth (₹ crore)	2,416	2,790
Book Value per share (₹)	443	511
Return on Equity excluding CDSL (Annualised)	7.46%	9.50%
EBITDA Margin	47%	53%
Net Margin (Excluding CDSL)	33%	39%
EPS before Excp. items (₹) (Excluding CDSL & SGF)	26.82	34.28
EPS after Excp. items (₹) (Including CDSL)	28.80	92.12

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Overview

2

Business

3

State-of-the-art Infrastructure and Technology

4

Recent Initiatives & Growth Drivers

5

Performance Highlights

Evolution Of The Exchange - Key Milestones



1875 To 1995

•The Native Share & Stock Broker's Association formed

- BSE granted permanent recognition under Securities Contracts (Regulation) Act (SCRA)
- S&P BSE SENSEX , country's first equity index launched
- BSE On-Line Trading (BOLT) system introduced

1996 To 2005

- Equity Derivatives introduced
- Index Options launched
- BSE becomes a Corporate Entity**

2006 To 2010

- Currency Derivatives Introduced**
- First to introduce Mobile-based Trading

2011 To 2014

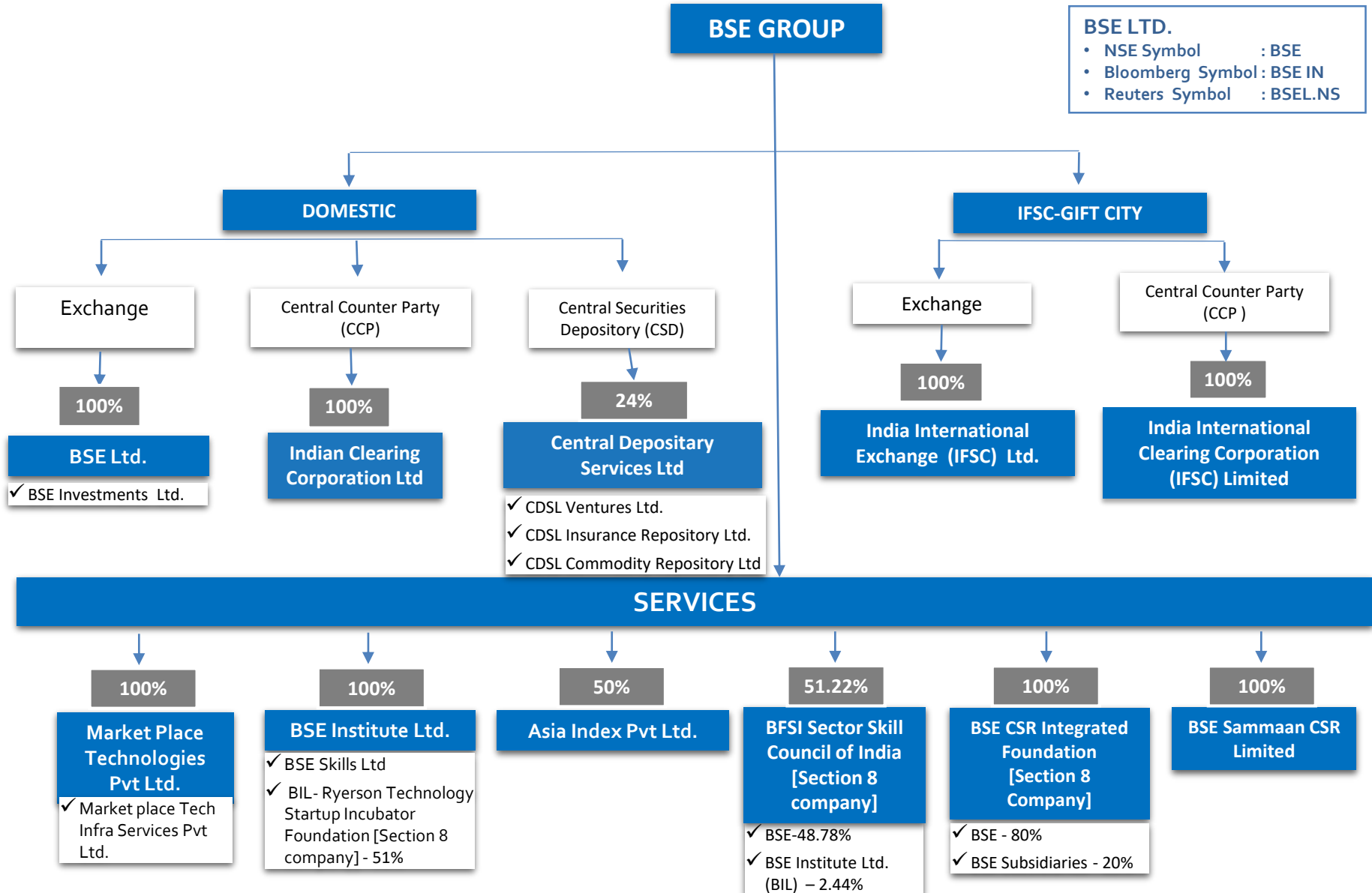
- Launch of Currency Derivatives (BSE CDX)
- Launch of Interest Rate Futures (BSE – IRF)
- Launch of Institutional Trading Platform on BSE SME
- BSE Launches New Debt Segment
- Launch of Equity Segment on BOLT Plus with Median Response Time of 200 (µs)
- BSE listed cos market cap crosses landmark 100 lakh crore**

2015 To 2016

- BSE celebrated its 140th Foundation Day
- BSE becomes the fastest exchange in the world with a median response speed of 6 microseconds**
- BSE announces commencement of trading of Sovereign Gold Bonds
- Shri Arun Jaitley, Hon'ble Minister of Finance Unveiled the Commemorative Postage Stamp Celebrating 140 glorious years of BSE

2017 To 2018

- Hon'ble Prime Minister of India, Shri Narendra Modi inaugurated India International Exchange (IFSC) Ltd, India's 1st International Exchange
- BSE becomes India's 1st listed Stock Exchange**
- BSE Limited's Board approves the proposal for Buyback of its Equity Shares**



TECHNOLOGY



T7 Trading System from
Eurex Exchange, subsidiary
of Deutsche Boerse

INTERNATIONAL LISTING

Listing of Sensex with

- Dubai Gold & Commodities Exchange



- BRICS Alliance – Brazil, Russia, China (Hong Kong), South Africa

INDEX BUSINESS



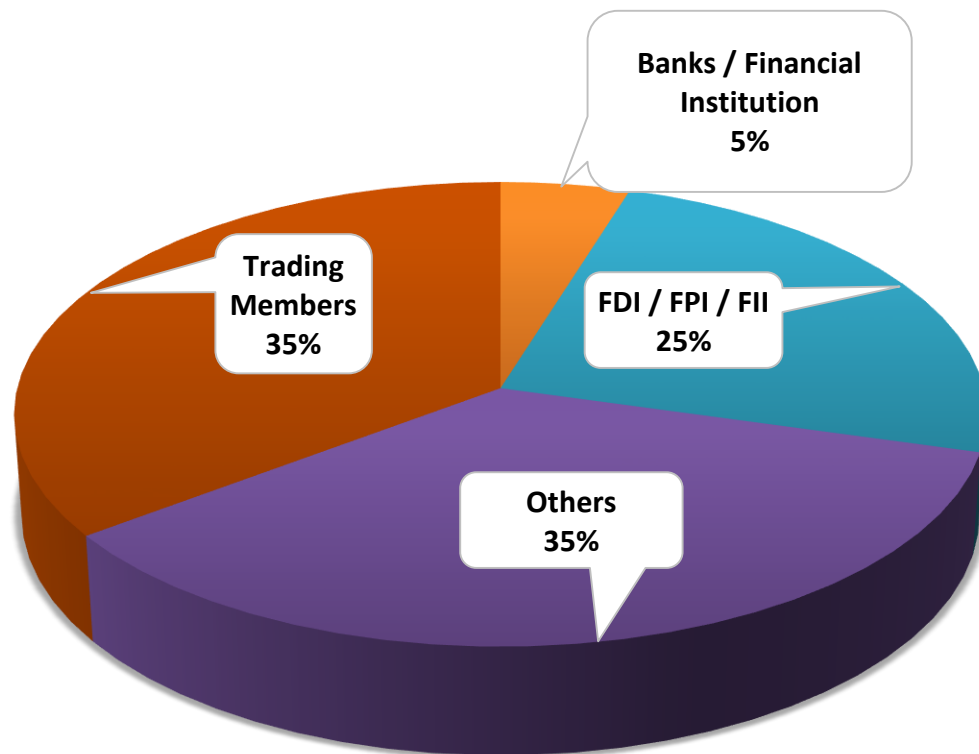
a joint venture with S&P Dow Jones
Indices for development and
marketing of index products

STRATEGIC INVESTORS



INSURANCE DISTRIBUTION

Proposed JV with Ebix to deploy
an insurance distribution
exchange platform



SOME KEY SHAREHOLDERS

Foreign Investors

Smallcap World Fund, Inc.	4.21%
Nomura India Investment Fund Mother Fund	2.79%
GKFF Ventures	2.28%
Caldwell India Holding Inc.	2.18%
Acacia Banyan Partners Limited	1.87%
Jupiter India Fund	2.02%

International Exchanges

Deutsche Boerse AG	4.74%
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Banks / Insurance – Indian

State Bank of India	4.74%
Life Insurance Corporation of India	4.66%

Indian Investors

Siddharth Balachandran	2.28%
Bajaj Holdings & Investment Ltd.	1.40%

Paid up Capital ₹ 107.6 million | Face Value per share ₹ 2/- each

Experienced Board of Directors

Name	On BSE Board since	Bio	Name	On BSE Board since	Bio
 S Ravi <i>Chairman and Public Interest Director</i>	2016	- Promoter and Managing Partner of Ravi Rajan & Co., Chartered Accountants - Former Director of UCO Bank	 Vikramajit Sen <i>Public Interest Director</i>	2016	Previously, acting Chief Justice – High Court of Karnataka and later appointed as Judge, Supreme Court of India
 Ashishkumar Manilal Chauhan <i>Managing Director and CEO</i>	2012	- Previously, Group Chief Information Officer, Reliance Industries Limited - Chairperson of the Board of Governors of National Institute of Technology, Manipur	 Rajeshree Rajnikant Sabnavis <i>Shareholder Director</i>	2015	- Founder, Rajeshree Sabnavis & Associates - Co-Chairperson of Direct Taxation Committee and Invitee Member on the Managing Committee of the Bombay Chamber of Commerce
 Sumit Bose <i>Public Interest Director</i>	2016	- Previously, Member of the Expenditure Management Commission - Former Union Finance Secretary and Revenue Secretary in the Ministry of Finance, Government of India	 Sriprakash Kothari <i>Shareholder Director</i>	2014	Deputy Dean and Gordon Y Billard Professor of Accounting and Finance at Massachusetts Institute of Technology
 Subhash S. Mundra <i>Public Interest Director</i>	2018	- Former Deputy Governor, Reserve Bank of India - Former Chairman & Managing Director of Bank of Baroda	 Roland Schwinn <i>Shareholder Director</i>	2017	- Head of Eurex Asia, the derivatives market of the Deutsche Boerse Group for Asia - He is also the founding director of Deutsche Boerse Asia Holding and Eurex Clearing Asia and since July 2015 he acts as the Chief Executive Officer of Eurex Clearing Asia in Singapore.
 Usha Sangwan <i>Shareholder Director</i>	2015	Managing Director, Life Insurance Corporation of India			

Experienced Management Team

Name	Since	Bio	Name	Since	Bio
 Ashishkumar Manilal Chauhan <i>Managing Director and CEO</i>	2009	■ 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 Industries Limited	 Nayan Mehta <i>Chief Financial Officer</i>	2012	■ Prior to joining BSE, Credit Analysis & Research Ltd. as Joint General Manager (Accounts), CFO at Multi Commodity Exchange of India Limited and has also worked at the National Stock Exchange. ■ Heads Finance & Accounts, Treasury and Taxation Functions at BSE ■ 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.
			 Neeraj Kulshrestha <i>Chief of Business Operations</i>	2015	■ 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 ■ Heads Trading, Listing, Membership Operations and listing sales. ■ 27 year experience in Capital markets, which includes Securities Markets and General Insurance.
			 Kersi Tavadia <i>Chief Information Officer</i>	2010	■ 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
 Nehal Vora <i>Chief Regulatory Officer</i>	2009	■ Prior to joining BSE, worked with various departments in SEBI ■ 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 & Compliance at DSP Merrill Lynch Ltd heading Broking and Investment Banking Compliance			

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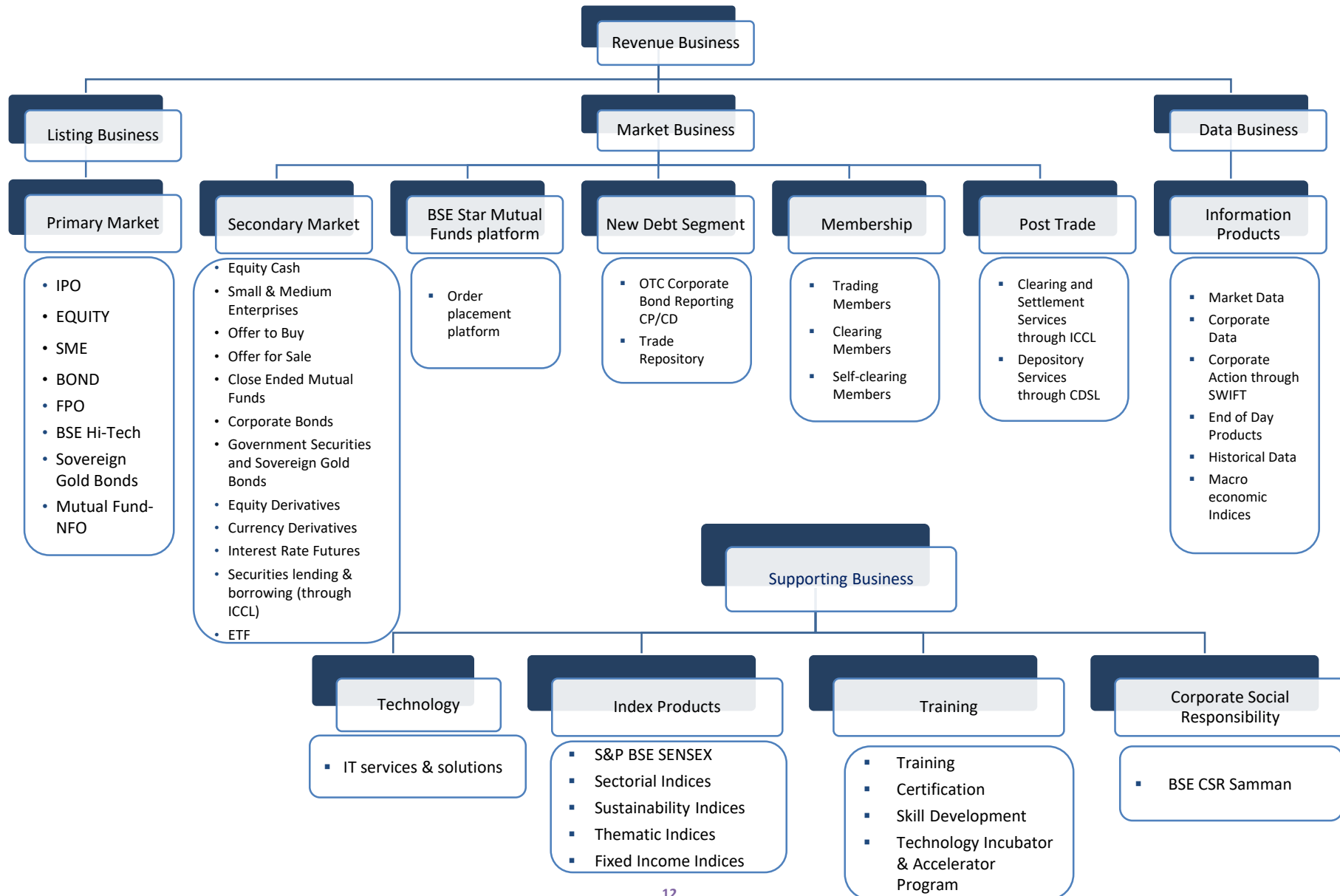
4

Recent Initiatives & Growth Drivers

5

Performance Highlights

Diversified Lines of Business





**Listed
Companies**

Highest globally with

5,616*

Number of listed companies

**Currency
Options**

Highest largest globally with

30 million**

Number of Contracts Traded

**Currency
Futures**

Third largest globally with

21 million**

Number of Contracts Traded

**Electronic
Book
Trades**

Tenth highest globally with

29 million**

**Market
Capitalization**

Tenth highest globally with

\$ 2.3 trillion**

Preferred Capital Raising Platform

Since April 2015,
capital raised through
BSE

\$ 28 billion

[₹ 1.81 trillion] (till
December 31, 2017)

\$ 55 billion

[₹ 3.5 trillion]

Raised through BSE's
electronic bond
platform (July 2016
to December 2017)

During FY 17-18
capital raised through
BSE

\$ 7 billion

[₹ 0.46 trillion] (till
December 31, 2017)

During FY 17-18 (till
September 30, 2017),
BSE listed

1,362

Privately Placed Debt
instruments

During FY 17-18 (till
December 31,
2017),
BSE listed

82

Initial Public Offers

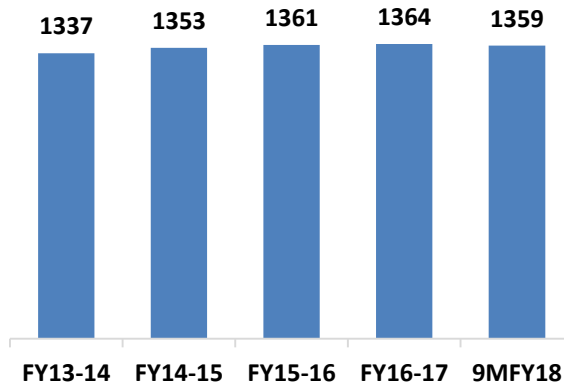
During FY 16-17,
BSE listed

2,353

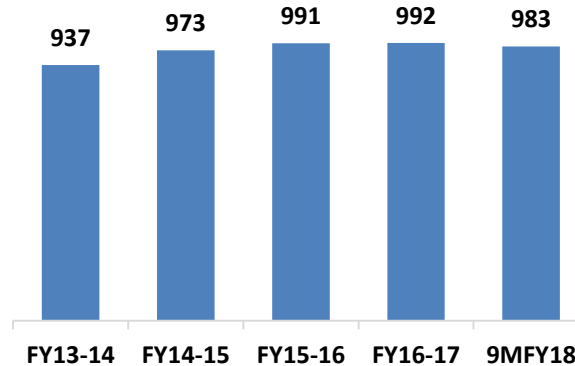
Privately Placed Debt
instruments



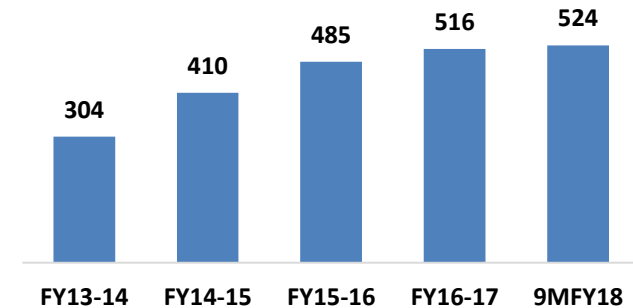
Equity Cash – Self-clearing Members



Equity Derivatives – Trading Members



Currency Derivatives – Trading Members



Continuous interaction with members in normal course of business and through various programs

Investor Education Programs

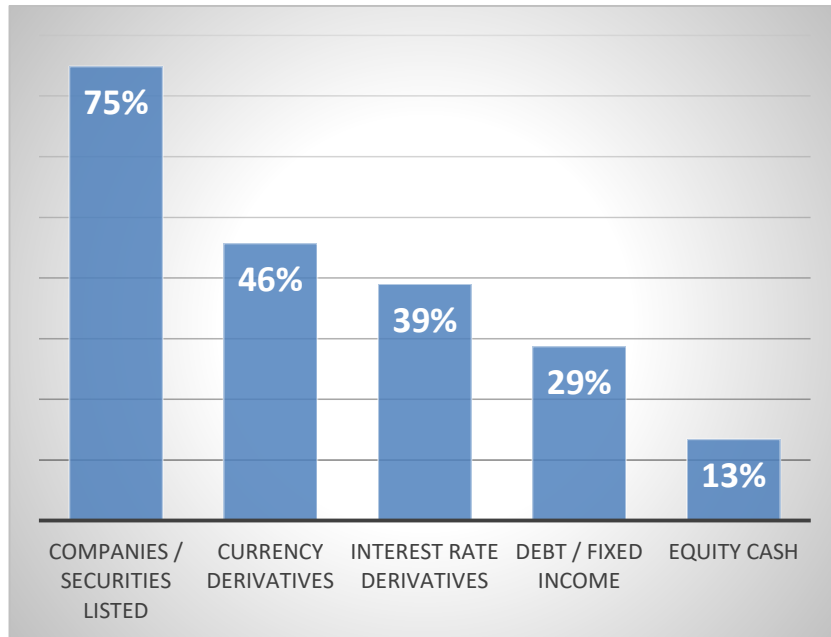
Jointly established a series of investor education programs with members and broker associations to have open communication with members and **increase exposure to investors**

Promote Algorithmic Traders

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

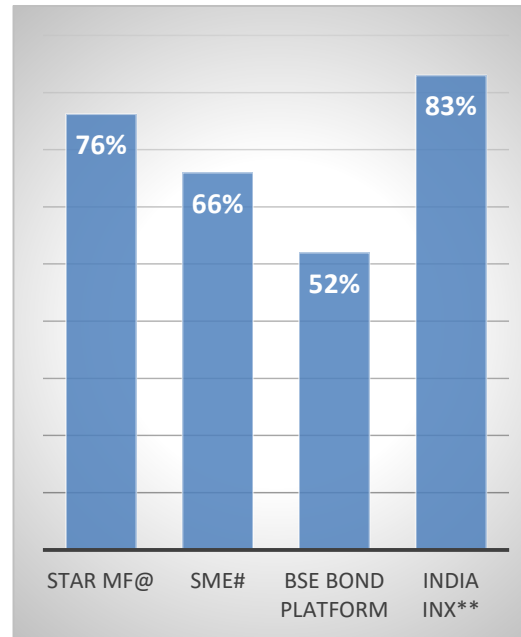
Red Ocean Businesses

Established leader in Listing related Business. Gaining share in other Businesses like Currency and Interest Rate Derivatives



Blue Ocean Businesses

Market leadership in Blue Ocean Businesses



New Businesses

International Exchange at GIFT City

Insurance Distribution JV with EBIX

Commodities at BSE*

@ Marketshare in Mutual Fund StAR Platform represents the value of purchase / redemption orders executed during the period.

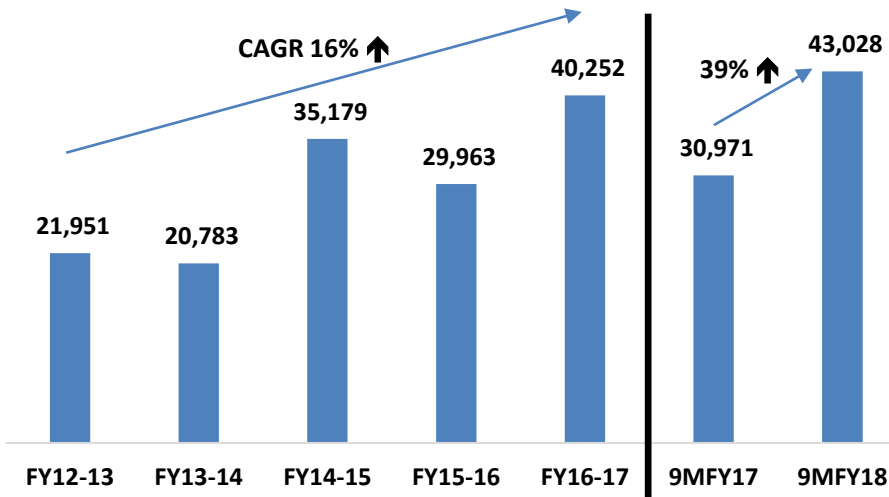
Marketshare in SME Segment represents number of companies listed in SME segment during the period.

* Subject to Regulatory Approvals.

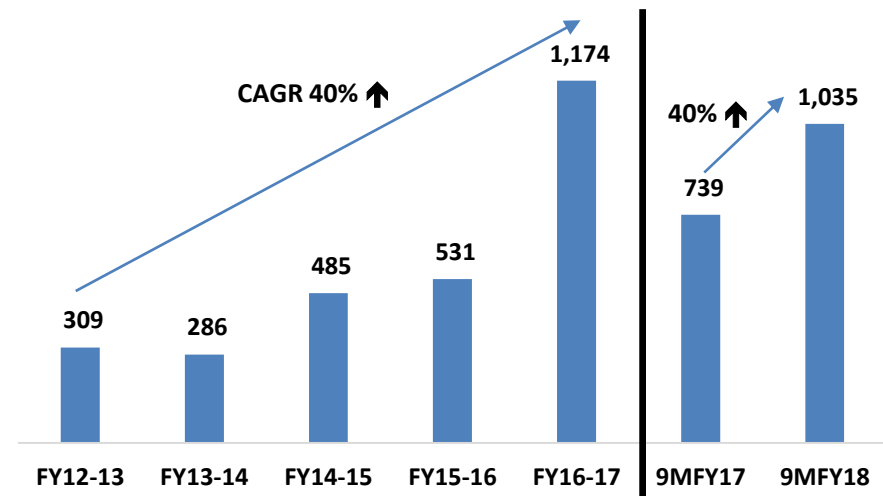
** Market share for the period June 2017 - December 2017

Marketshare for the period April 2017 – December 2017

Average Daily Turnover - Equity (₹ million)

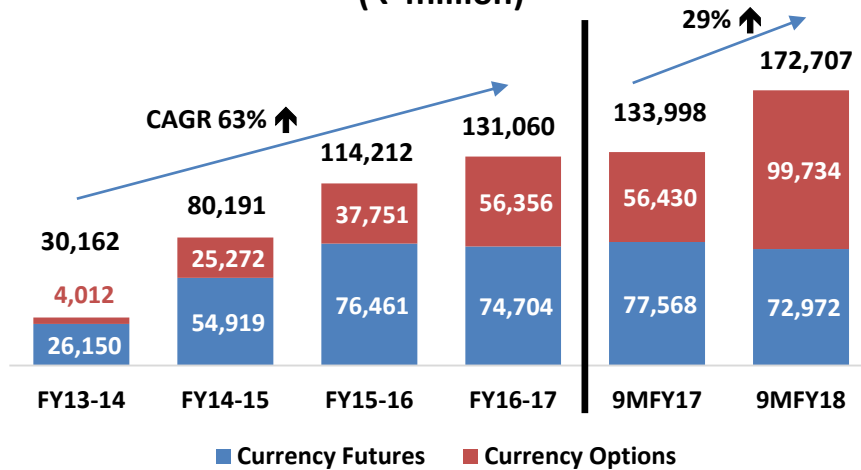


Transaction Charges Income - Equity (₹ million)

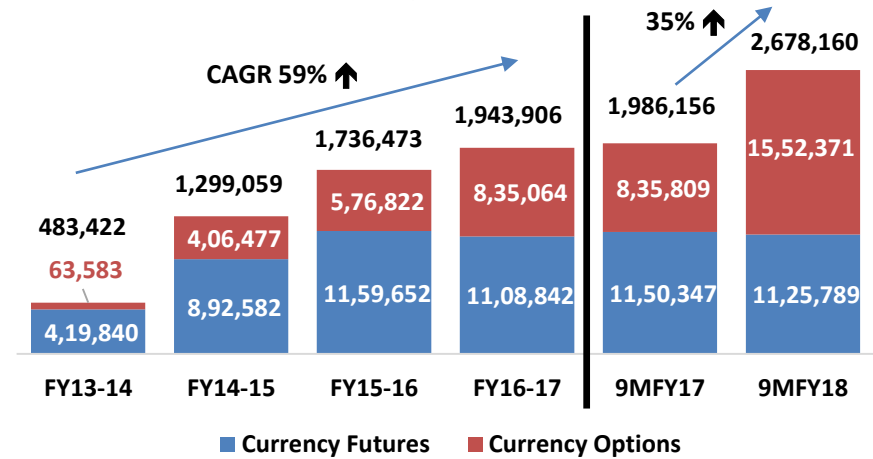


- Significant increase in Transaction Charges Income in FY16-17 mainly due to differential charging of transaction charges on select exclusive group of securities with effect from 1st January, 2016 at the rate of 0.1% on value traded.
- With effect from 3rd April, 2017, transaction charges on remaining securities levied on per trade basis instead of ad valorem basis followed earlier.
- Average number of trades per day is 14,60,443 during 9M FY18.

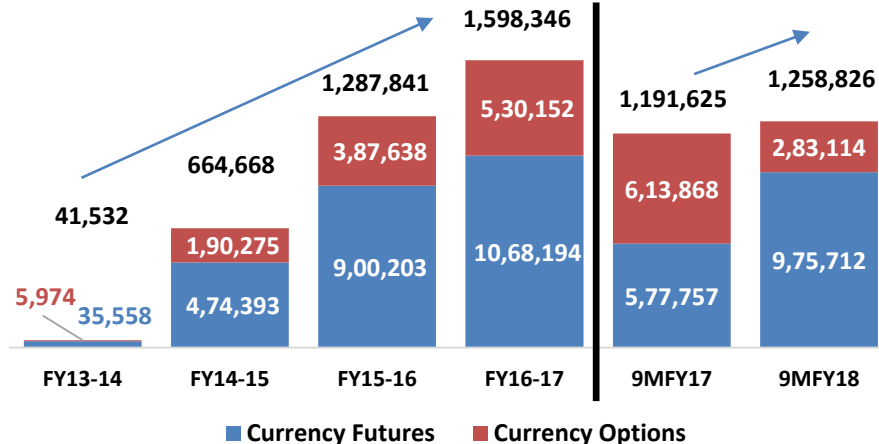
Average Daily Turnover - Currency Derivatives
(₹ million)



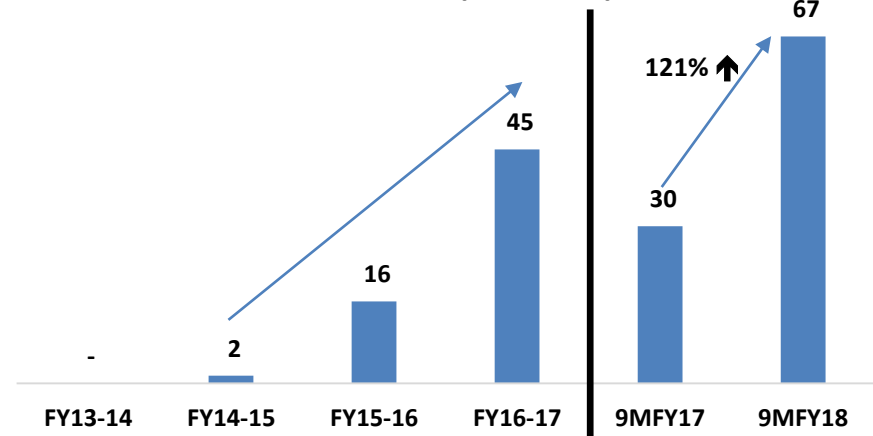
Average Daily Number of Contracts - Currency Derivatives



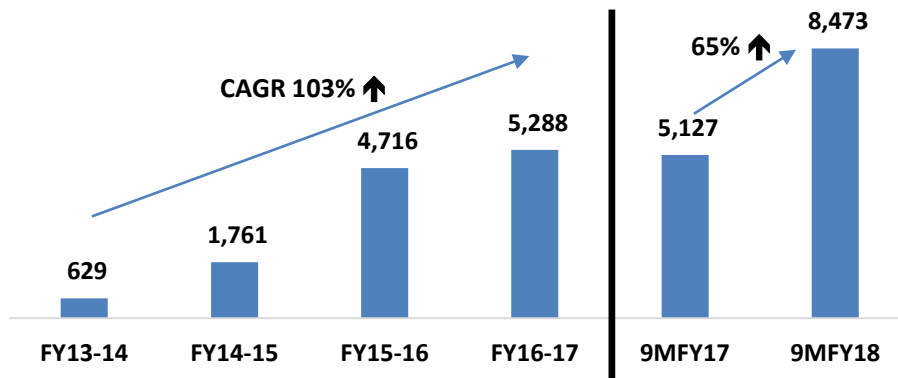
Period-end Open Interest - Currency Derivatives



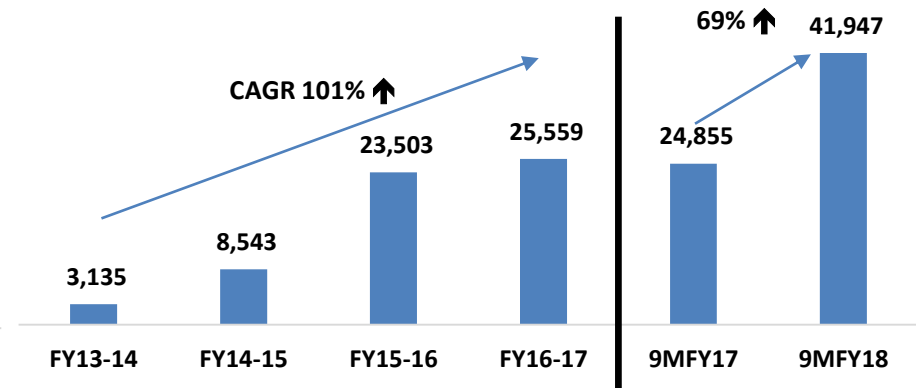
Transaction Charges Income - Currency Derivatives (₹ million)



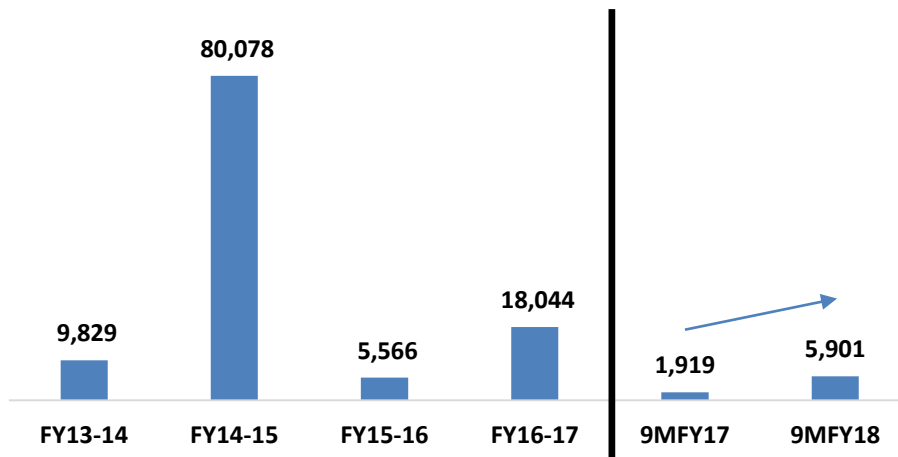
**Average Daily Turnover -
Interest Rate Futures (₹ million)**



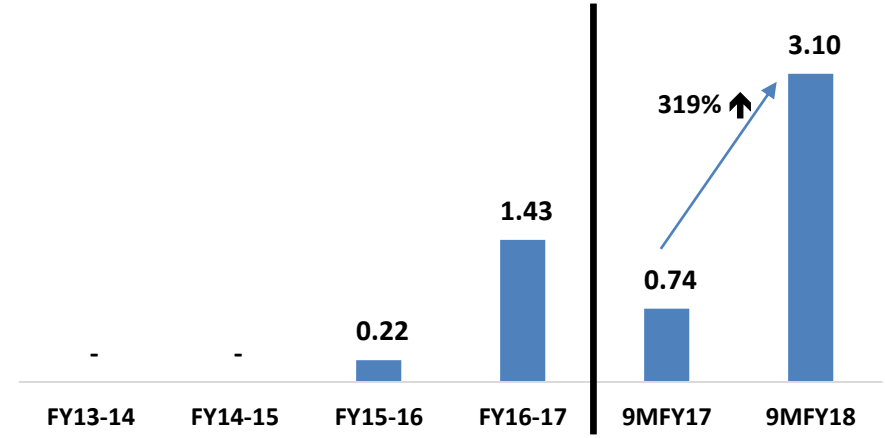
**Average Daily Number of Contracts -
Interest Rate Futures**



**Period-end Open Interest -
Interest Rate Futures**



**Transaction Charges Income
Interest Rate Futures (₹ million)**



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
- Paperless bank Mandate

CONNECTIVITY & USP's

- 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

**Number of Mutual Funds
as on December 31, 2017**

38

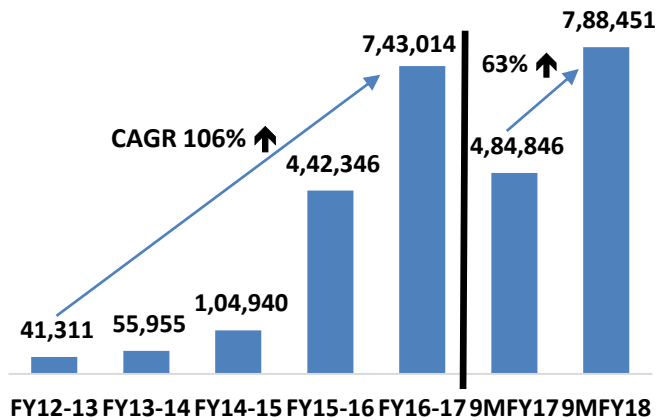
**Number of Mutual Fund
Schemes available for
trade as on December 31,
2017**

8,164

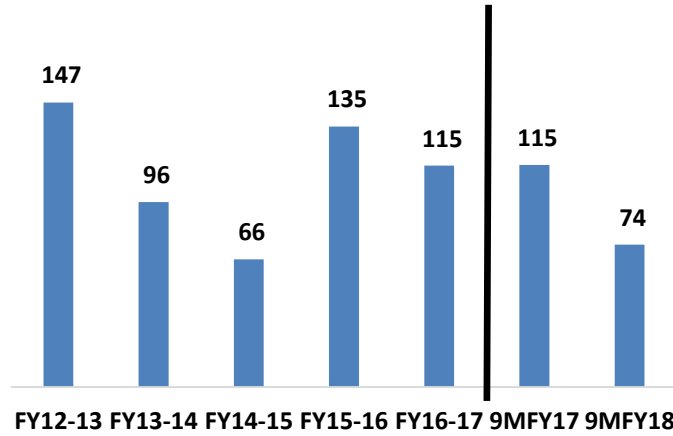
**Number of Mutual Fund
Distributors as on
December 31, 2017**

5,088

Total Turnover - Mutual Fund (₹ million)



Average Value Per Order (in ₹ '000)

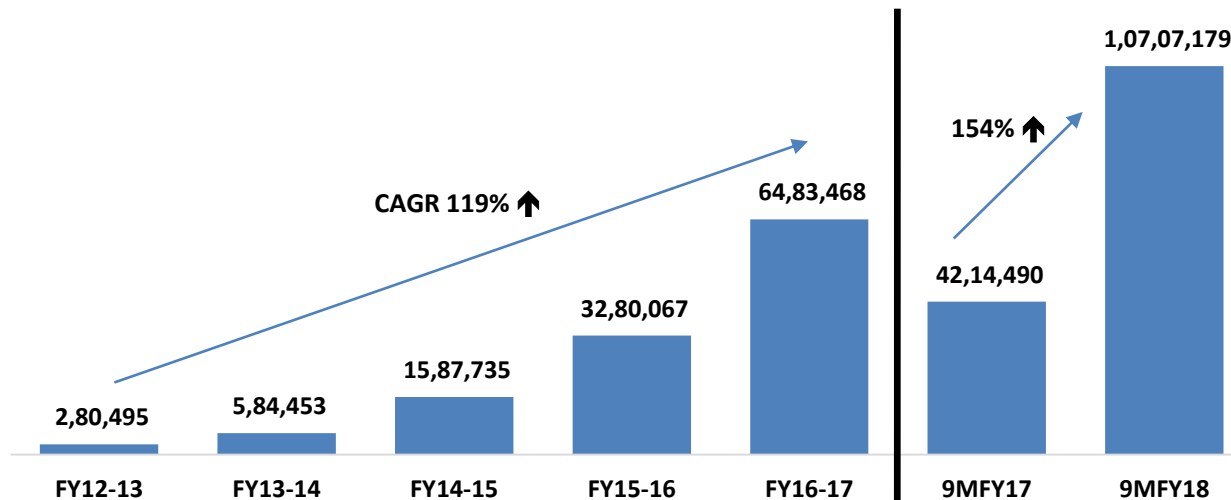


Some Key Figures

Orders Processed
~ **1.9 million**
(Jan 2018)

SIPs added
~ **1,50,000**
(Jan 2018)

Number of Orders - Mutual Fund

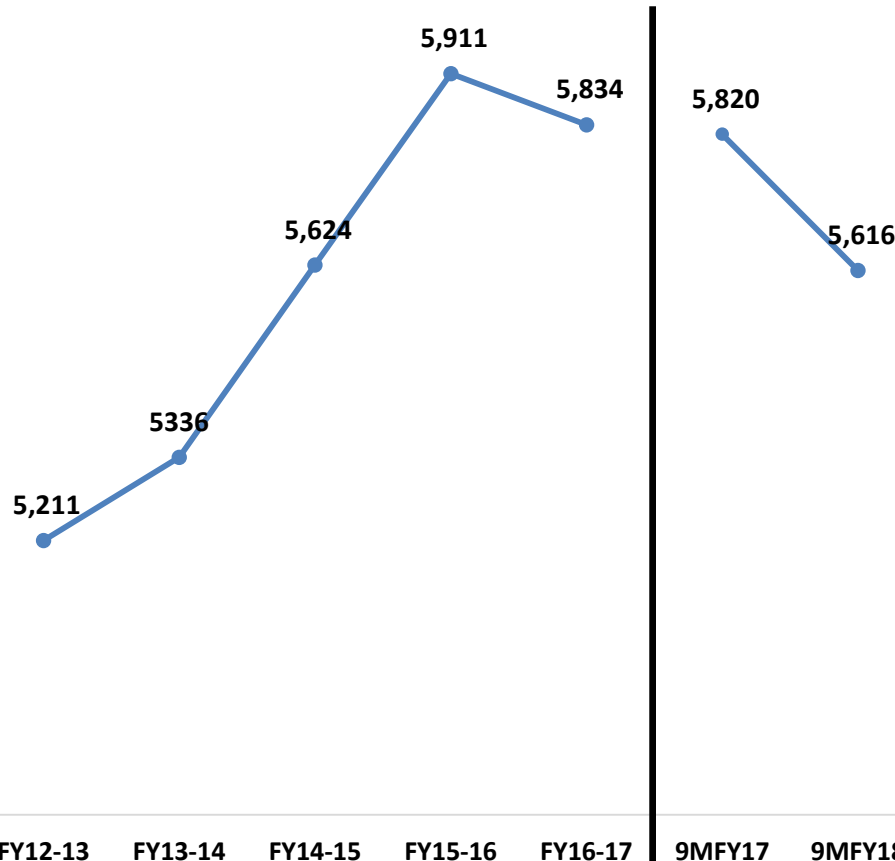


9MFY18
Transacted volume through BSE StAR MF

LIQUID SCHEMES
₹ 373,320 million

NON LIQUID SCHEMES
₹ 343,170 million

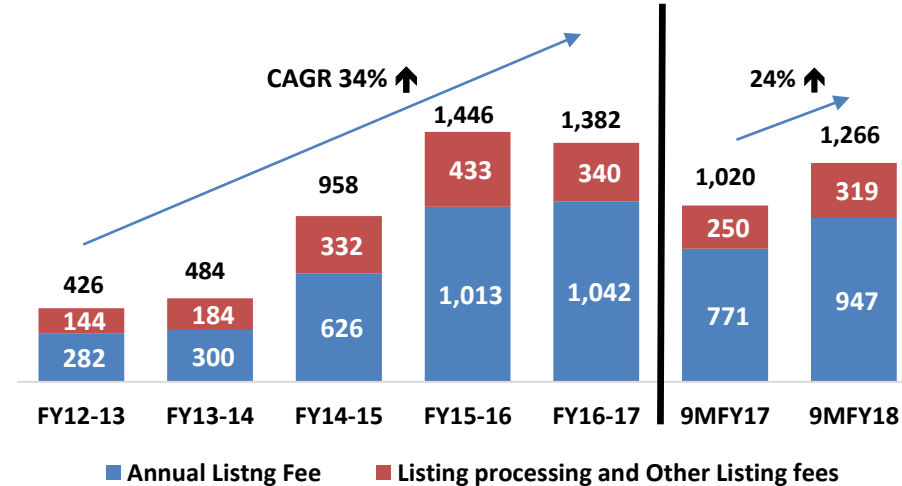
Securities Listed (as at period-end)*



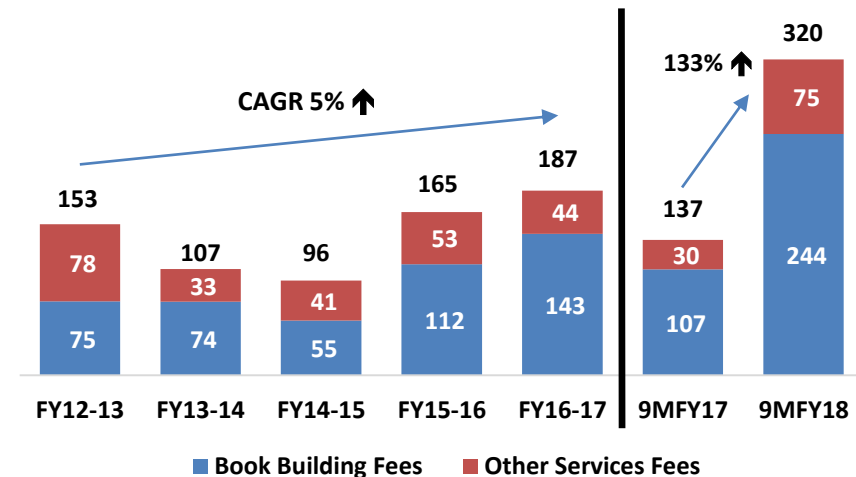
* Include listing of debt capital and mutual fund schemes and excludes delisted securities

- Decrease in securities listed during 9MFY18 on account of delisting of 413 securities majorly due to compulsory delisting, partly offset by new listing of 208 securities.

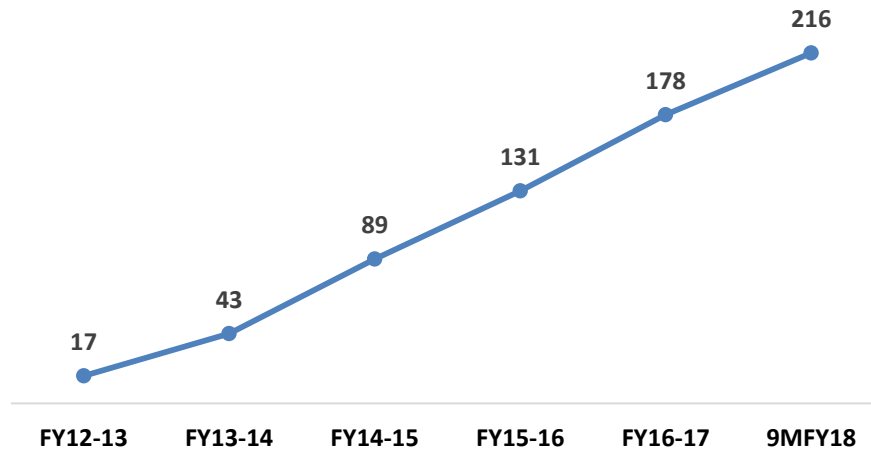
Listing Fees (₹ Million)



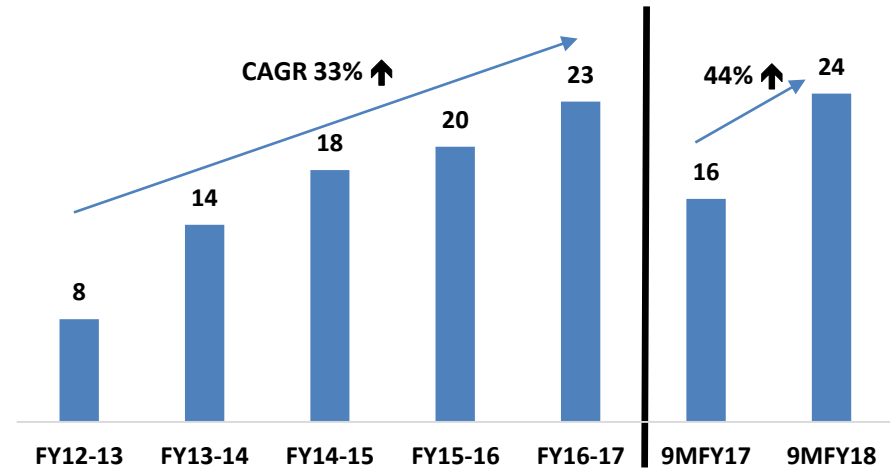
Book Building & Other Services (₹ Million)



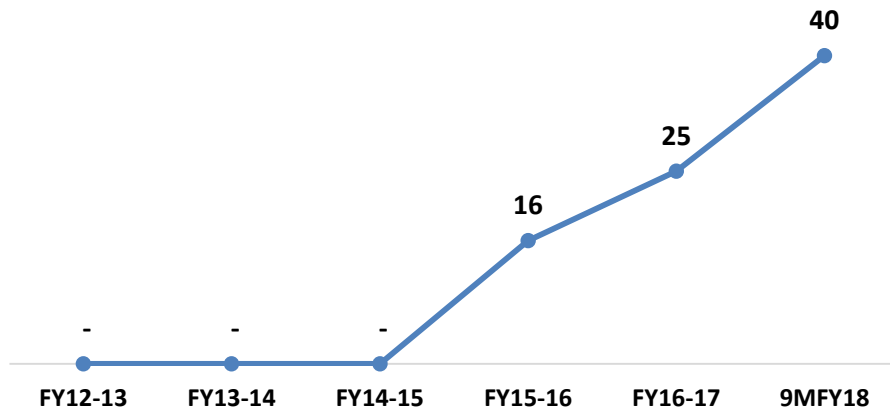
No. of Companies Listed (As on End of Period)



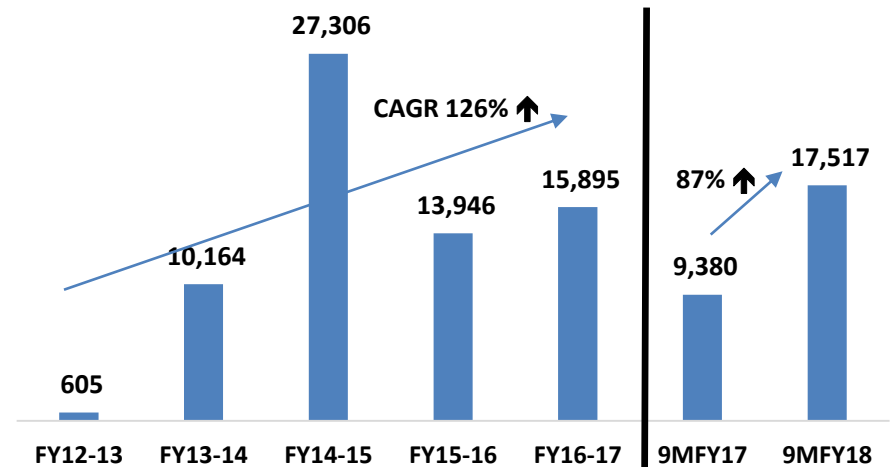
Listing Related Income (₹ in Million)



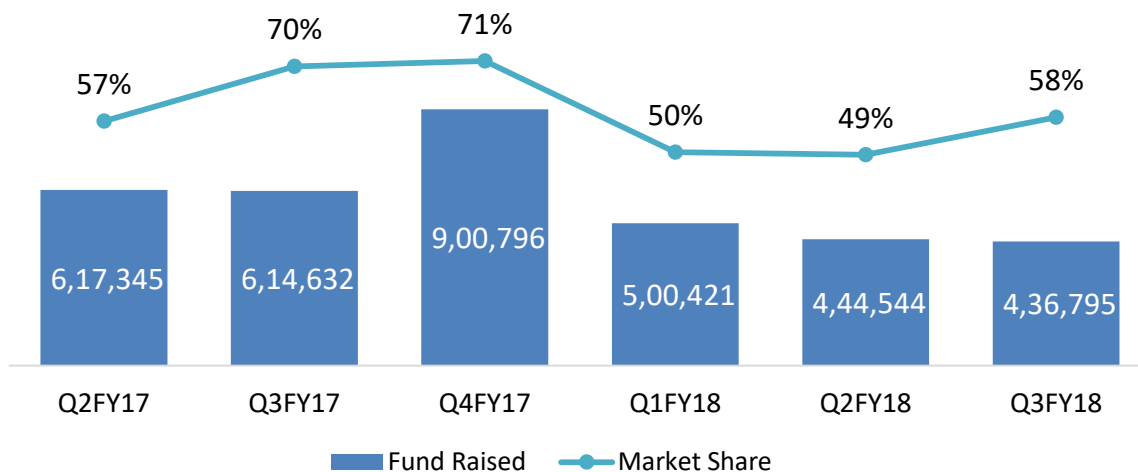
No. of Companies Migrated to Main Board
(As on End of Period)



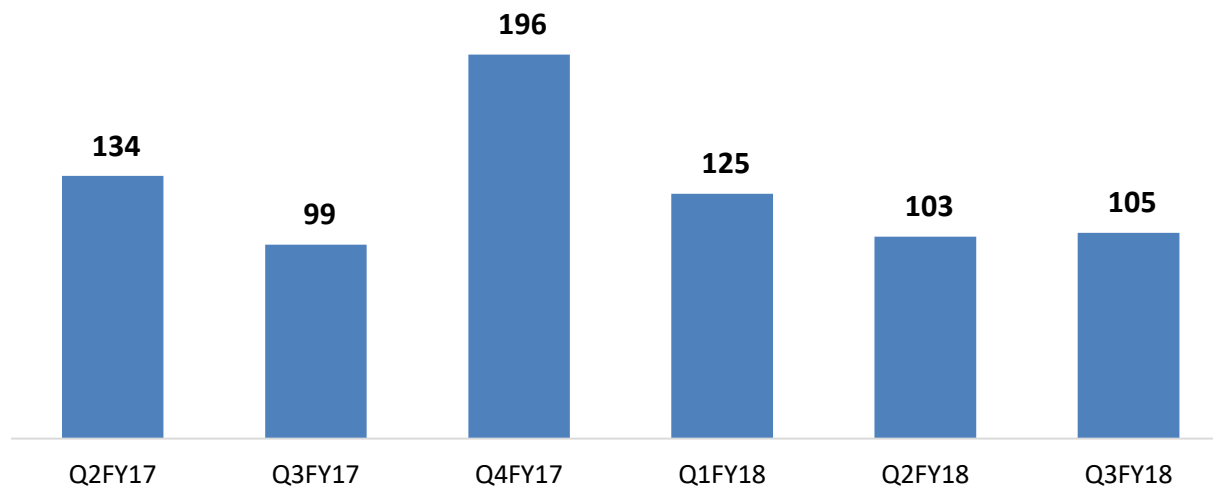
Total Turnover (₹ million)



Fund Raised (₹ in Million)



Number of Issues



₹ 3.5 trillion
Raised through BSE's electronic bond platform from July 2016 to December 2017

Commenced Operations from 16th January, 2017

Asset Classes & Contracts

Index Derivatives Sensex, Sensex 50

Indian Stock Futures 107 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

Global Stock Futures Apple INC, Facebook INC, Microsoft Corporation, Alphabet INC (Google) and JP Morgan

Commodity Futures Gold, Gold KG, Silver, Copper, WTI Crude, BRENT Crude

Currency Derivatives EUR USD, GBP USD and JPY USD

Note : Further contracts would be introduced in other asset classes from time to time after necessary regulatory approvals. The above list represents the contracts currently being allowed for trading on the international exchange currently.

Highest Number of trades in a day

23,108

on 16th January 2018

Highest Turnover in a day

\$ 405 Million

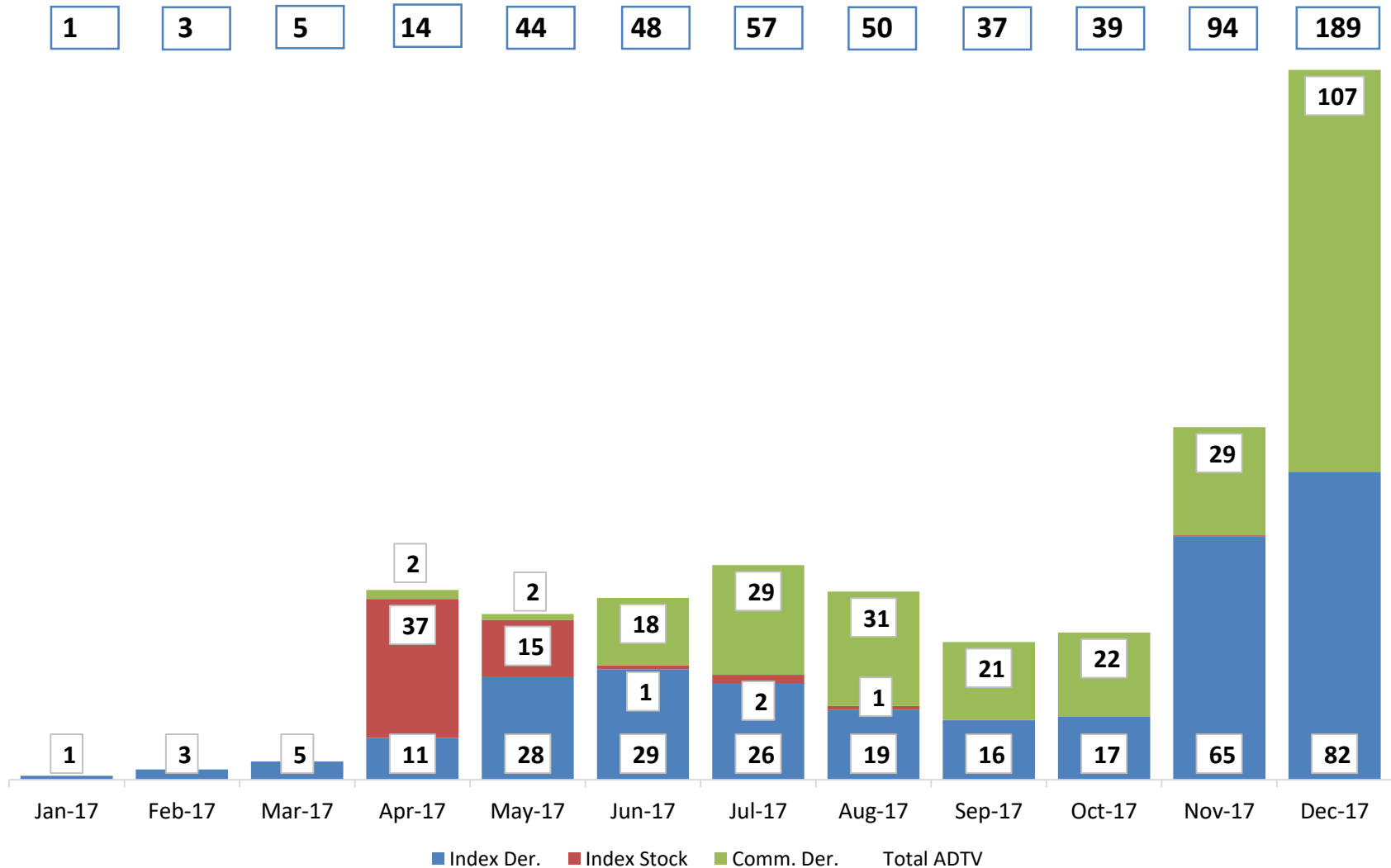
on 16th January 2018

Exchange Daily Trading Hours

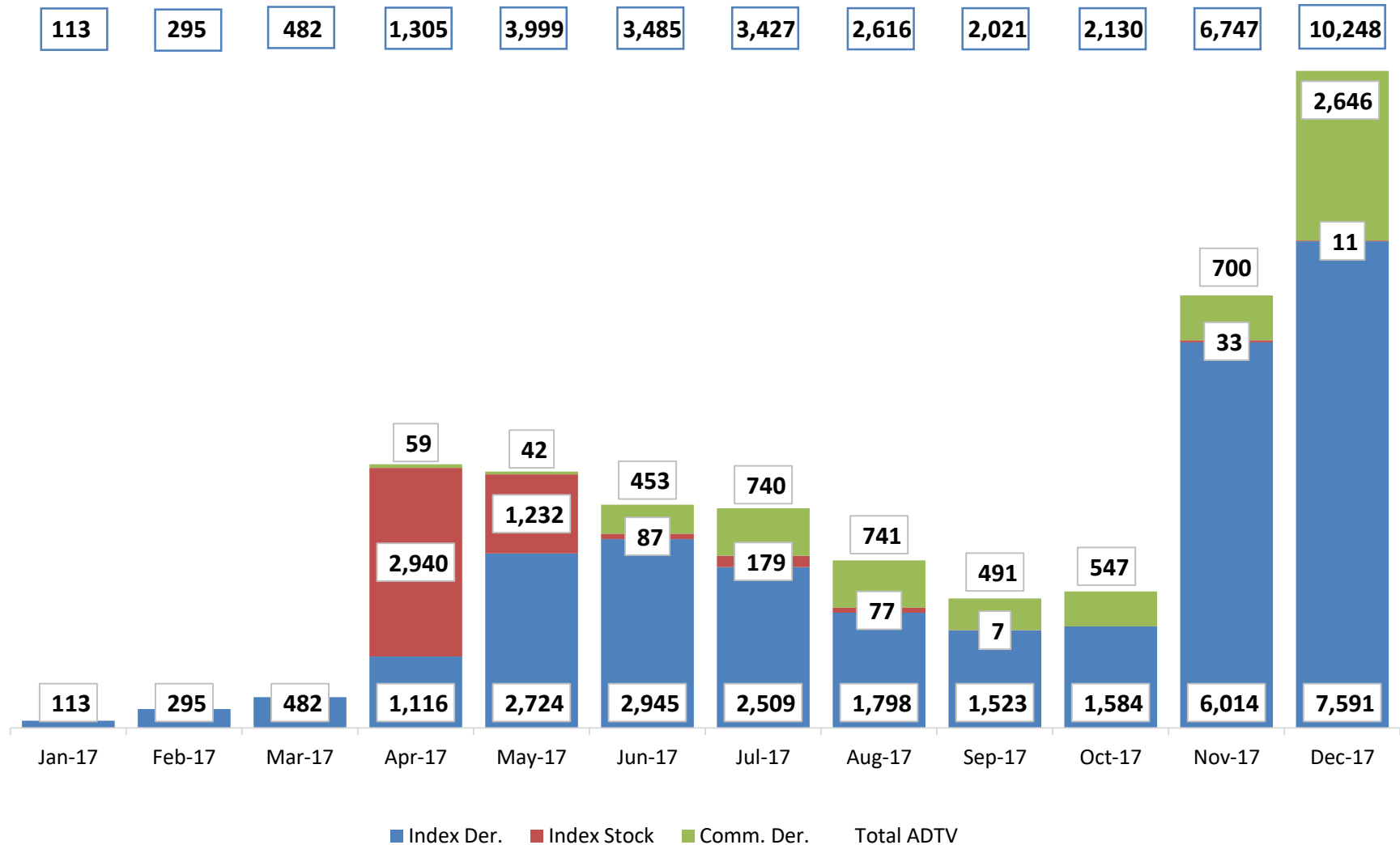
22.00 Hours

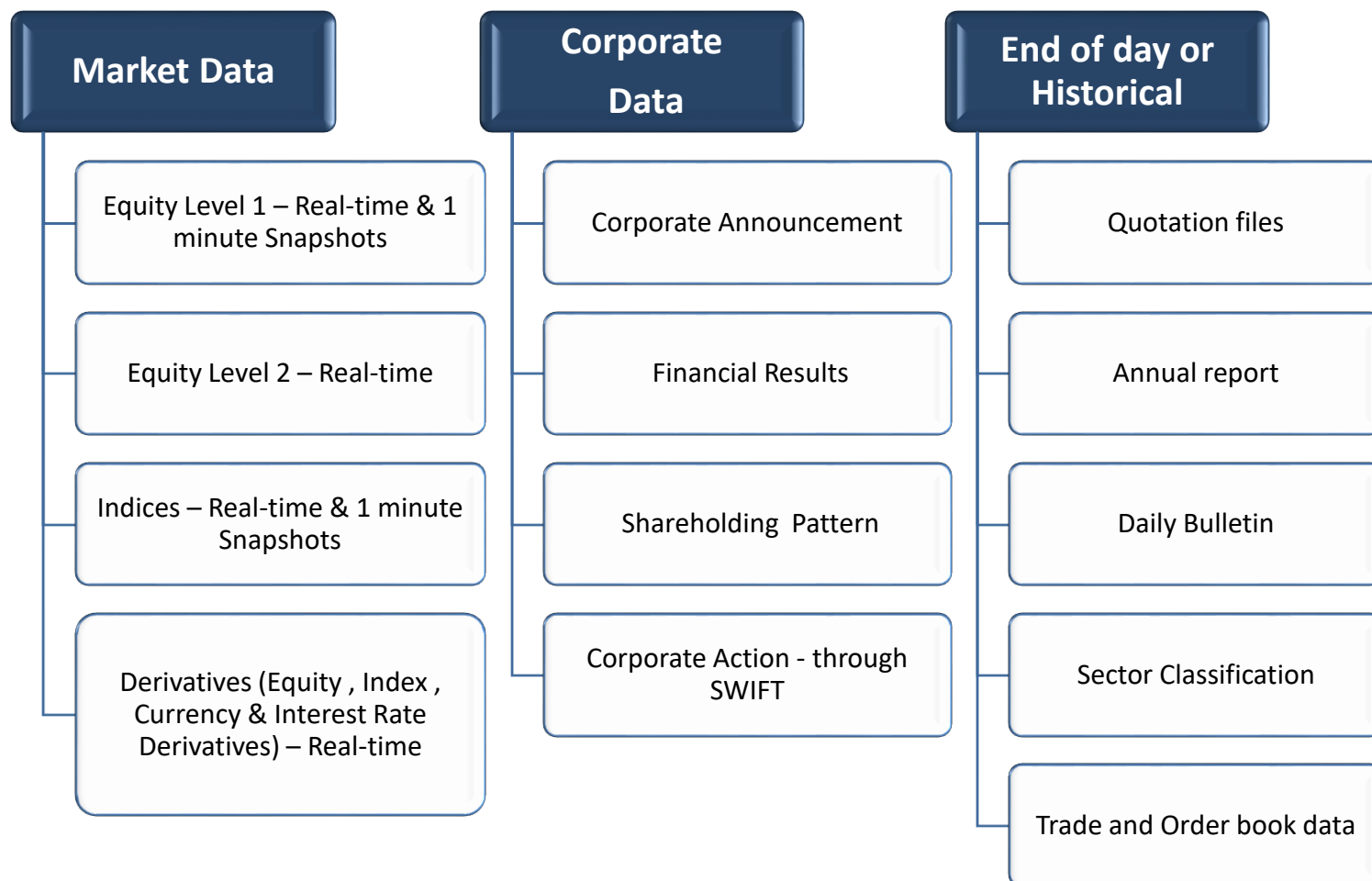
04:30:00 hours to 17:00:00 hours and 17:00:01 hours to 02:30:00 hours (Indian Standard Time)

Average Daily Traded Value (US \$ mn)



No. of Average Traded Daily Contract





Market Data products marketed by Deutsche Boerse in International Market

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Performance Highlights

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

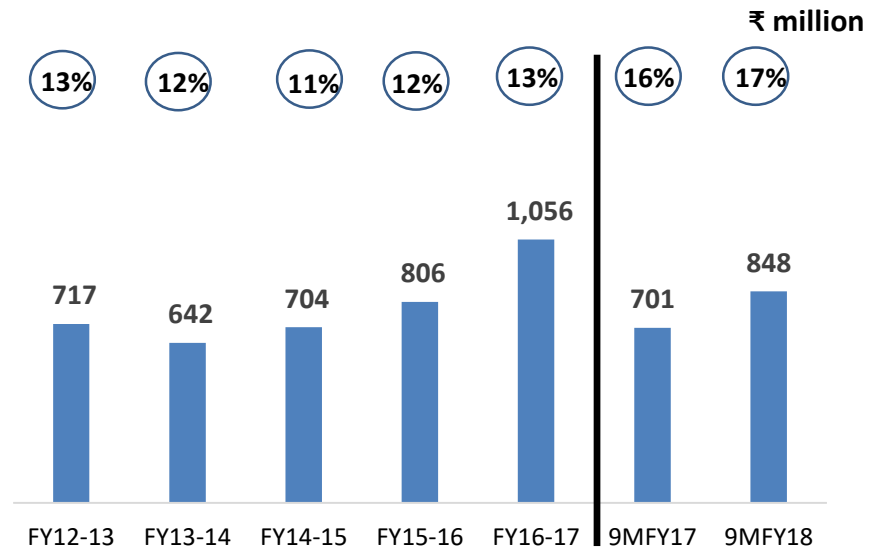
All platforms are **interconnected** and operated through the same network and workstation, which provides market participants a **seamless experience and efficient operation**

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 Revenue¹



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

New Trading Architecture – BOLT PLUS

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 μ s (Gateway in to Gateway out)
 - Network Latency for Colo Users: 18 μ 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.

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
• BSE • NSE • MCX • NCDEX	• Equity – F&O – Currency – IRF - OFS – Mutual Fund – SLB – Debt – ITP • Equity – F&O – Currency • Commodities • Commodities	• Dealers • Investors • Admin for HO • Multiple Mini Admin for Regions & Branches • RMS	• Leased Line • Internet

• Dual Market Depth Display • AMO – After Market Orders • Time base Square up for Intraday transactions and One click square up on M2M Alert. • Corporate Information Analysis for ➤ Bonus, Rights, Dividend, Board Meetings, Scheme • Top Gainers / Top Losers • Most Active by VOLUME / VALUE	• User define short keys - predefine Key Mapping Styles for ODIN-BOLT • Auto upgrade notification • Easy mechanism to activate locked User ID (just fetch Password) • Market Movement with chart with user defined time frame • NEWS Plus with RSS feeds and Twitter
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BEST- BSE ELECTRONIC SMART TRADER – HOSTED TRADING SUITE

(Thomson Reuters Omnesys NEST hosted trading platform)

Single Window with Multiple Utilities

Exchanges/Segments

- BSE (Equity, Equity Derivatives, Currency Derivatives, SLB, OFS, IPO, OTB)
- NSE (Equity, Equity Derivatives, Currency Derivatives, SLB, IPO, OFS)
- MCX
- NCDEX
- Other Leading Exchanges of India
- India INX will be separate

Users

- Admin
- Multiple Parallel Admin
- Branch Admin
- Dealer
- Offline Client
- Online Client

Features

- Real time Risk Management
- User Management
- Multi Exchange/Segment trading

Roles & Functionalities

Admin

User Management

- User Creation
- Creation & assigning roles
- Manage Users
- Reporting & MIS
- Send Message

Risk Management

- Comprehensive Risk Rules
- Real time Margin & MTM calculation
- Managing different Risk levels
- Multiple Trading Products
- Admin Square off
- MIS Auto Square off

Users

Dealers

- Multiple Exchange & Segments for Trading
- Real time broadcast
- Basket Order, Spread Order, After Market Order, Cover Order functionality
- Online IV's for Option Traders
- Payment Gateway

Online Client

- Common login for EXE & WEB platform
- Real time broadcast
- Payment gateway
- Order & Trade reports
- Historical reports

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Recent Initiatives & Growth Drivers

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Performance Highlights

Recent Initiatives

Growth Drivers

Insurance Distribution Network

- BSE and world's largest insurance exchange Ebix, Inc. have signed a memorandum of understanding to set up a joint venture to develop a pioneering insurance distribution network in India with the goal of revolutionizing end-to-end sales and processing of Insurance in the country.
- Leveraging of Ebix technology and distribution network of both entities to create a niche market covering the entire insurance life cycle.

Deployment of BEST Trading Platform

- Marketplace Tech Infra Services (MTISPL), 100% subsidiary of BSE and Thomson Reuters has signed a Memorandum of Understanding (MoU) to deploy BEST (BSE Electronic Smart Trader), a robust, state-of-the-art hosted trading solution built on Thomson Reuters Omnesys NEST platform, for BSE members and customers.
- Thomson Reuters Omnesys NEST hosted trading platform brings greater scalability, convenience, speed and transparency to the users. This hosted trading platform will be offered through various channels including dealers, investor exe and web. BEST will supplement the existing order routing platform of MTISPL - BOW (Bolt+ On Web) to provide a single trading platform for all stock and commodity exchanges viz BSE, INDIA INX, NSE, NCDEX, MCX, MSEI & ICEX. The deployment of the said platform is expected to commence in November 2017.

Recent Initiatives

Growth Drivers

India International Exchange (IFSC)

- Operations Commenced on 16th Jan, 2017
- Index Derivatives, Indian Stock Derivatives, Global Stock Futures, Currency Derivatives and Commodity Futures Contracts introduced
- Utilization of the Exchange platform to raise funds at a global level.
- Listing of securities from across the globe on the Exchange.
- Admission to membership of brokerage and hedge firms from across the globe.
- Introduction of appropriate fee structure based on the growth and competition strategy.
- Non-levy of Capital gains to Non-Residents
- New single Regulator focused on GIFT – IFSC

Equity Segment

- Introduction of transaction charges based on number of trades in place of ad valorem charges on equity scrips other than exclusive and non-liquid groups with effect from 3rd April, 2017
- Initiation of a virtuous cycle of higher liquidity and turnover in equity segment through increased participation of larger market participants in this segment.

Inter-operability among Clearing Corporations

- Update
- SEBI has formed four working groups to consider various aspects of Inter-operability among Clearing Corporations.

Recent Initiatives

Growth Drivers

Interest on Deposits & Margins in certain segments

- Indian Clearing Corporation becomes the first securities clearing corporation in India to pay interest on margins and deposits in currency derivatives and equity derivatives segment with effect from 3rd April, 2017
- Higher placement of margins and deposits at Indian Clearing Corporation to drive higher liquidity to currency derivatives and equity derivatives segment.

Mutual Fund StAR Platform

- Have started recovering fees for transaction on StAR MF platform.
- Commencement of a steady source of revenue which would grow with increasing participation of investors in mutual funds.

Small & Medium Enterprises Segment

- Ongoing thrust to encourage SME companies to list on Exchange
- Increase in steady annual source of listing revenue.
- Growth in turnover on Exchange over time especially after migration of SME companies to Main Board of the Exchange.

Recent Initiatives

Growth Drivers

Listing of Securities

- | | |
|---|--|
| <ul style="list-style-type: none">▪ Revision in annual listing fees over past few years to bring them at near par with the market | <ul style="list-style-type: none">▪ Continuation of the process to bring the fees in line with market and explore possibilities of differential incremental pricing from time to time. |
|---|--|

BSE-Bond Platform

- | | |
|--|--|
| <ul style="list-style-type: none">▪ New electronic bidding platform for raising debt by any entity over ₹ 5 billion in a year active from July 1, 2016 | <ul style="list-style-type: none">▪ Possibility of lowering of the limit of ₹ 5 billion to further shift debt fund raising to BSE-Bond platform.▪ Introduction of appropriate fee structure based on the growth and competition strategy. |
|--|--|

Commodities Segment at BSE

- | | |
|---|--|
| <ul style="list-style-type: none">▪ Application made to regulator for launching commodities segment at the Exchange | <ul style="list-style-type: none">▪ Readiness to launch the segment at short notice. |
|---|--|

Currency Derivatives

- | | |
|---|--|
| <ul style="list-style-type: none">▪ Revision in transaction charges over past couple of years | <ul style="list-style-type: none">▪ Continuation of the process to bring the fees in line with market while focusing on the marketshare. |
|---|--|

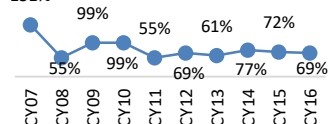
Recent Initiatives & Growth Drivers (cont'd)

Macro-economic Factors – Underpenetrated Indian Markets

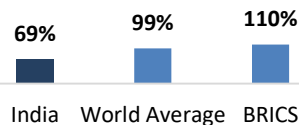
GDP Factor & India's Credit Rating

- Correlated to market capitalization / activity which in turn is linked to GDP

Scope for Market Cap / GDP ratio to increase to pre-financial crisis levels
151%



Compared to other geographies, Market Cap / GDP ratio has room for improvement



- Global rating agency Moody's upgraded India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive

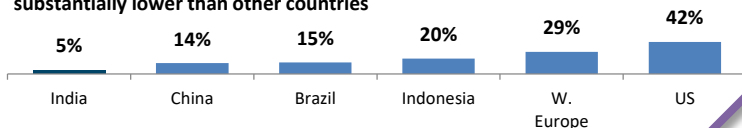
Global Inflow of Funds

- With 7-8% GDP growth rate, India is the preferred investment destination
- 269 new FPIs registered with SEBI in April 2016
- FPIs granted permanent registration compared to approvals for 1 / 5 years earlier

Participation by Retail Investors

- Historical preference for physical assets but that is changing with increasing financial awareness
- Increase in India equity indices has improved confidence
- Tax breaks further incentivizing to invest

India's equity savings as a percentage of financial savings is substantially lower than other countries



Government Initiatives

GST will lead to tax simplification which in turn will boost GDP



EPFO allowed to invest in equity markets – will boost equity investments in India



Demonitization will lead be a positive impact on capital markets in India during long term



₹ 2.1 trillion Bank Recapitalization announcement a booster dose to economy by Government



Demographic Dividend

- India's population is estimated to surpass China's population within a decade

60%

% of India's total population in working age category

New Products and Initiatives

- Room to introduce innovative derivative products like weather derivatives, energy derivatives and credit derivatives
- Potential easing of restriction of FIIs trading in currency futures
- Alliances with exchanges from various countries to cross-list equity-based products
- Introduction of more agricultural commodities and other global commodities for trading

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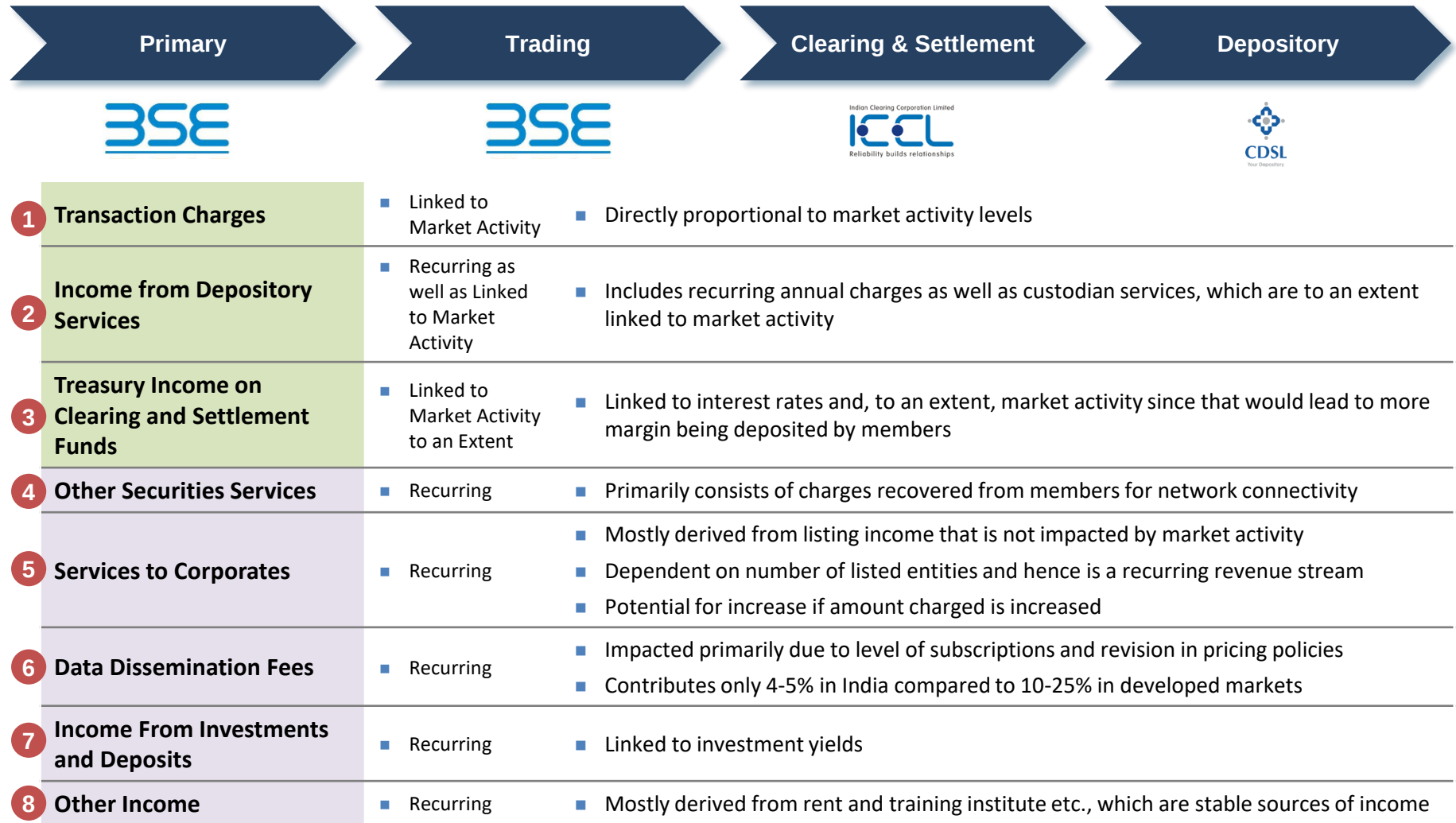
Recent Initiatives & Growth Drivers

5

Performance Highlights

Integrated Business Model

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



 Linked to Market Activity  Recurring

Steady increase in Operational Income

March Year Ending (₹ in million)	2013	2014	2015	2016	2017	9MFY17	9MFY18
- Transaction Charges	317	294	505	550	1,224	777	1,107
- Income from Depository Services	905	871	1,046	1,227	1,458	-	-
- Treasury Income on Clearing and Settlement Funds	339	439	532	413	405	261	299
Others	375	268	254	223	270	210	224
Securities Services	1,936	1,872	2,337	2,413	3,357	1,248	1,630
Services to Corporates	579	591	1,054	1,611	1,569	1,157	1,586
Data Dissemination Fees	224	204	221	224	247	183	188
Revenue from Operations	2,739	2,667	3,612	4,248	5,173	2,588	3,404
Income From Investments and Deposits	2,356	2,183	2,226	2,102	2,380	1,389	1,224
Other Income	434	448	410	351	455	361	403
Total Income	5,529	5,298	6,248	6,701	8,008	4,338	5,031
% Growth	-	-4.2%	17.9%	7.3%	19.5%	-	16.0%

Note :

- Figures for 9MFY17 and 9MFY18 exclude CDSL figures in view of divestment of BSE's stake in CDSL in the month of June 2017
- Figures as per restated IGAAP financials for FY12-13 to FY14-15 and Ind-AS financials for FY15-16 onwards.

Consolidated Profit & Loss (cont'd)

March Year Ending (₹ in million)	2013	2014	2015	2016	2017	9MFY17	9MFY18
Total Income	5,529	5,298	6,248	6,701	8,008	4,338	5,031
Employee Expenses	772	854	999	1,074	1,415	767	881
Technology Cost & Technology Program	717	642	704	806	1,056	701	848
Regulatory Costs	240	250	607	544	415	253	309
Other Expenses	691	677	885	1,152	1,317	707	625
EBITDA	3,109	2,875	3,053	3,125	3,805	1,910	2,368
EBITDA Margin	56%	54%	49%	47%	48%	44%	47%
Depreciation & Amortization	283	324	588	537	540	352	322
Finance Cost	25	4	6	3	10	8	9
Exceptional Items							
Liquidity Enhancement Incentive Prog ("LEIPs")*	955	613	343	172	-	-	7
Settlement Guarantee Fund ("SGF")	-	-	-	514	208	208	-
Other Exceptional Items	24	-	165	-221	-	-	5
Profit Before Tax & Minority/Assoc/JV Share	1,822	1,934	1,951	2,120	3,047	1,342	2,025
Joint Venture / Associate Share	-3	-4	-3	22	11	8	133
Profit Before Tax	1,819	1,930	1,948	2,142	3,058	1,350	2,158
Taxes	377	340	438	371	406	56	406
Minority Share	254	238	213	442	446	0	0
Net Profit From Continuing Operations	1,188	1,352	1,297	1,329	2,206	1,294	1,752
Net Profit Margin	21%	26%	21%	20%	28%	30%	35%
Profit From Discontinued Operation	-	-	-	-	-	311	4,740
Net Profit After Discontinued Operation	1,188	1,352	1,297	1,329	2,206	1,605	6,492

Note :

- Figures for 9MFY17 and 9MFY18 exclude CDSL figures in view of divestment of BSE's stake in CDSL in the month of June 2017
- Figures as per restated IGAAP financials for FY12-13 to FY14-15 and Ind-AS financials for FY15-16 onwards.

Steady increase in Operational Income

March Year Ending (₹ in million)	2013	2014	2015	2016	2017	9MFY17	9MFY18
Trading Members	650	541	743	775	1,494	977	1,314
Services to Corporates	579	591	1,054	1,611	1,569	1,157	1,586
Other Operating Income	-	-	260	-	-	-	-
Data Dissemination Fees	224	204	219	224	247	183	188
Revenue from Operations	1,453	1,336	2,276	2,610	3,310	2,317	3,088
Income From Investments and Deposits	1,667	1,689	1,868	2,335	1,897	1,474	1,490
Other Income	269	303	248	209	303	245	178
Total Income	3,389	3,328	4,392	5,154	5,510	4,036	4,756
% Growth	-	-1.8%	32.0%	17.3%	6.9%	-	17.8%

Note :

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

Standalone Profit & Loss (cont'd)

March Year Ending (₹ in million)	2013	2014	2015	2016	2017	9MFY17	9MFY18
Total Income	3,389	3,328	4,392	5,154	5,510	4,036	4,756
Employee Expenses	417	492	553	587	761	513	543
Technology Cost & Technology Program	693	568	675	816	1,123	805	958
Regulatory Costs	107	119	472	508	352	253	305
Other Expenses	507	480	779	741	800	550	436
EBITDA	1,665	1,669	1,913	2,502	2,474	1,915	2,514
EBITDA Margin	49%	50%	44%	49%	45%	47%	53%
Depreciation & Amortization	245	266	522	485	477	339	278
Finance Cost	7	2	2	2	1	1	-
Exceptional Items							
Liquidity Enhancement Incentive Prog "LEIPs"	955	613	343	172	-	-	-
Settlement Guarantee Fund ("SGF")	-	-	-	514	208	208	-
Profit on sale of part equity stake in CDSL					-244	-244	-3,160
Other Exceptional Items	-	-	150	46	-	-	5
Profit Before Tax	458	788	896	1,283	2,032	1,611	5,391
Taxes	60	42	141	-46	46	39	363
Net Profit	392	746	755	1,329	1,986	1,572	5,028
Net Profit Margin	12%	22%	17%	26%	36%	39%	106%

Note :

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

Consolidated :

BSE 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 ₹ 4,512 million 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, BSE 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 ₹ 106 million was credited to Retained Earnings under the head Other Equity during the year ended March 31, 2017. The said profit of ₹ 106 million 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.

Standalone :

The Company has partially divested its stake in a subsidiary company, on June 29, 2017. The profit on divestment amounting to ₹ 3,160 million is reflected in the Statement of Standalone Financial Results during the nine months ended December 31, 2017. The residual investment retained in the subsidiary is now considered as an investment in an associate.

Further the Company had earlier partially divested its stake in subsidiary company in October, 2016 and profit amounting to ₹ 244 million was credited to Statement of Standalone Profit and Loss for the quarter and nine months ended December 31, 2016 and for the year ended March 31, 2017.

Considering the nature of the income and its impact on the profit, the same has been disclosed as an exceptional item in the respective periods.

Bridge between Standalone and Consolidated Net Profit

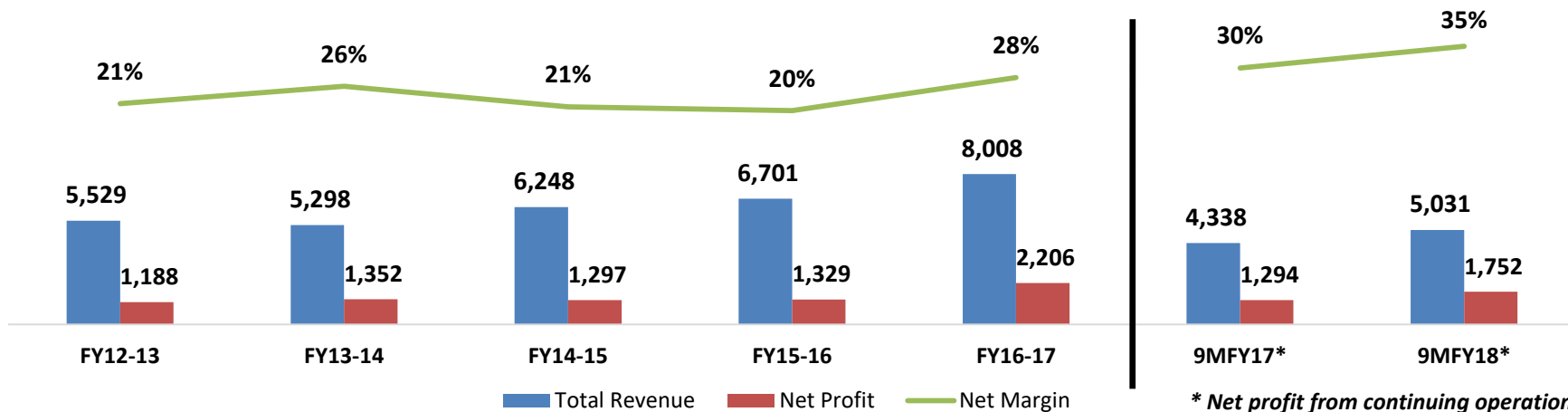
Nine Months ended December 31, 2017

(₹ in crore)

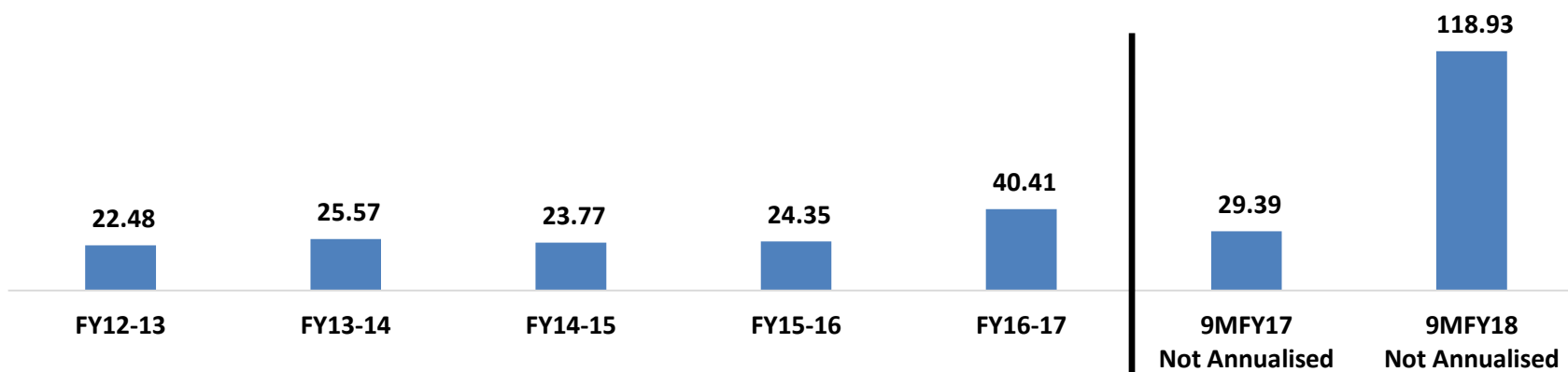
Sr. No.	Particulars	Amount
1	Net Profit as per BSE's Standalone Financials	503
2	Add: Gain accounted on CDSL Stake Sale (as per Ind-AS in Consolidated Financials)	474
3	Less: Gain accounted on CDSL Stake Sale (as per Ind-AS in Standalone Financials)	316
4	Add: Subsidiaries & Associates Profit (Net)	34
5	Less: Dividend from Subsidiaries (includes dividend from CDSL)	46
6	Net Profit as per BSE's Consolidated Financials	649

Key Performance Indicators

(₹ in million)

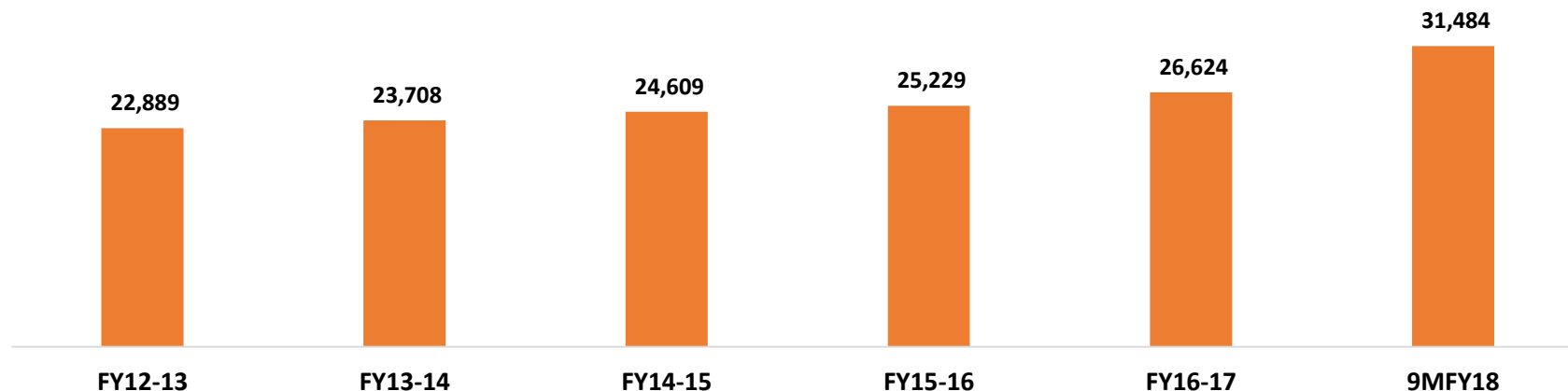


Earnings per share (₹)

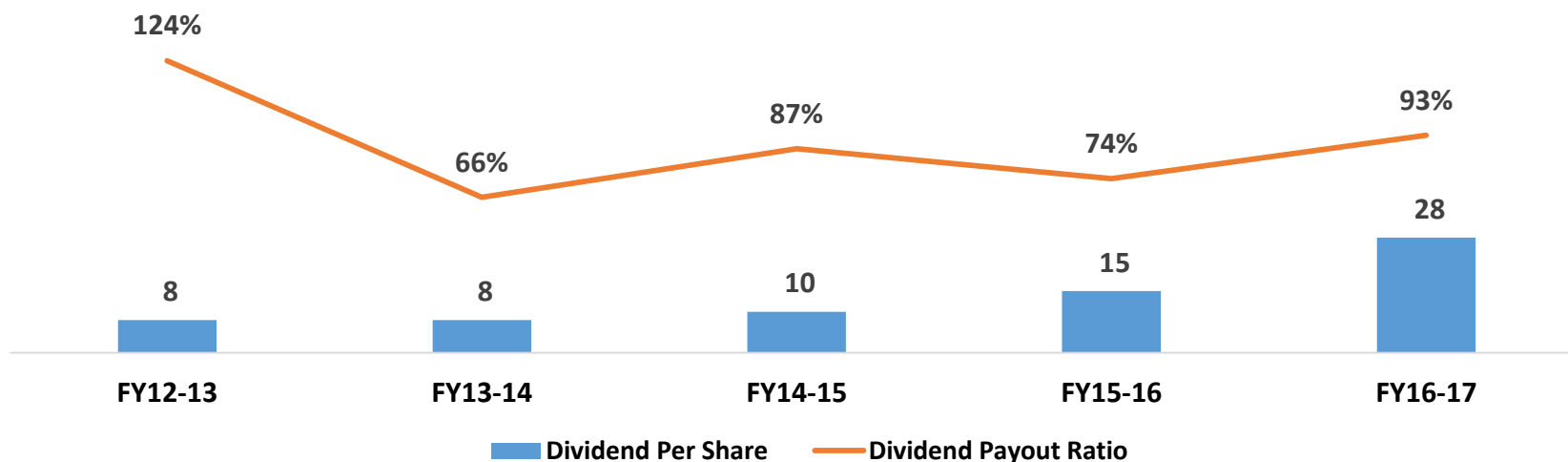


Figures as per restated IGAAP financials for FY12-13 to FY14-15 and Ind-AS financials for FY15-16 onwards.

Consolidated 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

THANK YOU

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