



BSE Limited

Investor Presentation – November 2019

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1. About BSE



2. Business




3. Key Growth Drivers & Other Initiatives









4. Financial Highlights & Investor Information

Board Of Directors

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

Management Team

Name	Bio	Name	Bio
 <p>Shri Ashishkumar Manilal Chauhan Managing Director & CEO <i>With BSE since 2009</i></p>	<ul style="list-style-type: none"> ■ B Tech in Mechanical Engineering from IIT Bombay and a PGDM from IIM Kolkata ■ He is one of the founders of India's National Stock Exchange ("NSE") where he worked from 1992 to 2000. He is best known as the father of modern financial derivatives in India due to his work at NSE ■ Represents BSE as the Chairman on the Executive Board of the South Asian Federation of Exchanges. ■ Previously, Group Chief information officer, Reliance Group 	 <p>Shri Nayan Mehta Chief Financial Officer <i>With BSE since 2012</i></p>	<ul style="list-style-type: none"> ■ 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. ■ 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.
 <p>Shri Kersi Tavadia Chief Information Officer <i>With BSE since 2010</i></p>	<ul style="list-style-type: none"> ■ Prior to joining BSE, employed with Log-in Utility and InvestSmart Financial Services Limited ■ 30 years of experience in the area of Application Systems/ IT Infrastructure development and management, managing all aspects of IT operations in Financial Services, Capital markets and manufacturing companies. He has played a leading role in transforming BSE into the fastest exchange in the country. 	 <p>Shri Neeraj Kulshrestha Chief Regulatory Officer <i>With BSE since 2015</i></p>	<ul style="list-style-type: none"> ■ Prior to BSE he was an Executive Director in Morgan Stanley India for 10 years. He was earlier with National Stock Exchange and has managed various functions like Trading Operations, Inspection and Investigation, Futures and Options Clearing and Trading. He was also the CEO of India Index Services Ltd. and Dotex International Ltd ■ 27 year experience in Capital markets, which includes Securities Markets and General Insurance.
 <p>Shri Sameer Patil Chief Business Officer <i>With BSE since 2015</i></p>	<ul style="list-style-type: none"> ■ He is instrumental in setting up and responsible for Business Development of INDIA INX at GIFT CITY IFSC. Currently, INDIA INX has more than 90% market share. ■ He has about 21 years' of experience in financial sectors like Commodities, Currency Derivatives, Indices etc and has experience in Trading, Hedging Strategies, Product Designing and Business Development. 	 <p>Shri Girish Joshi Chief Trading Operations and Listing Sales <i>With BSE since 2010</i></p>	<ul style="list-style-type: none"> ■ He has worked with ICICI Bank Group for 10 years. At ICICI Bank Group he worked in various areas like ICICIDirect.com, Treasury Mid Office and in the area of Regulatory Reporting and Monitoring at CFO office of the Bank. ■ He was also one of the earliest core team members who were involved in the set-up of National Stock Exchange (NSE). During 7 years at NSE he worked in Wholesale Debt Market and post trade functions.

Key Milestones – The transformation over time



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



1. About BSE



2. Business



3. Key Growth Drivers & Other Initiatives



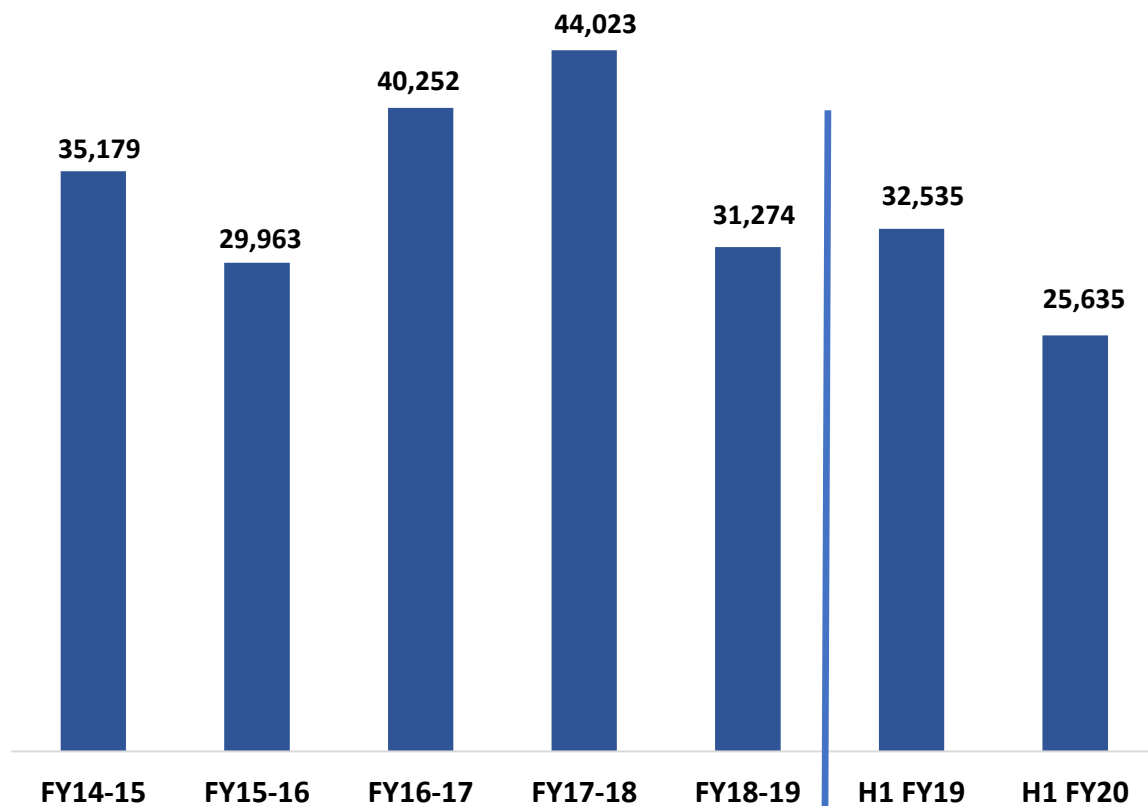
4. Financial Highlights & Investor Information

Diversified Lines of Business

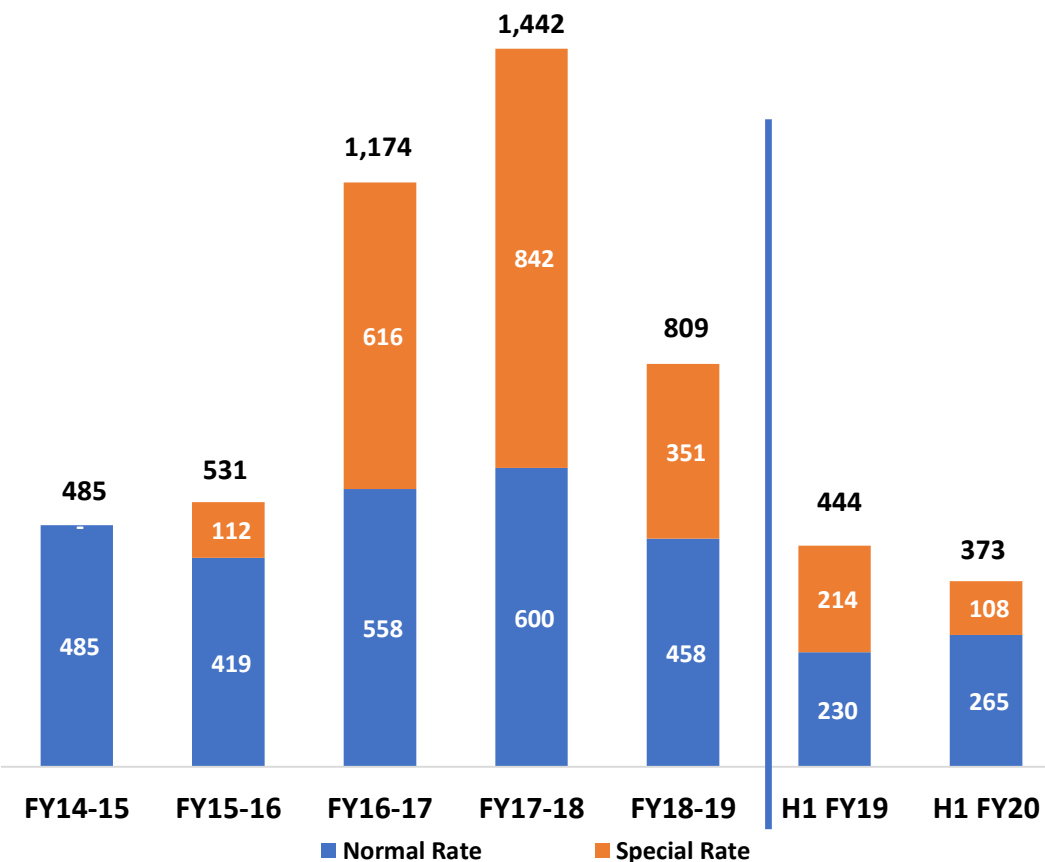


Equity Cash - Performance

Average Daily Turnover (₹ million)



Transaction Charges Income (₹ million)

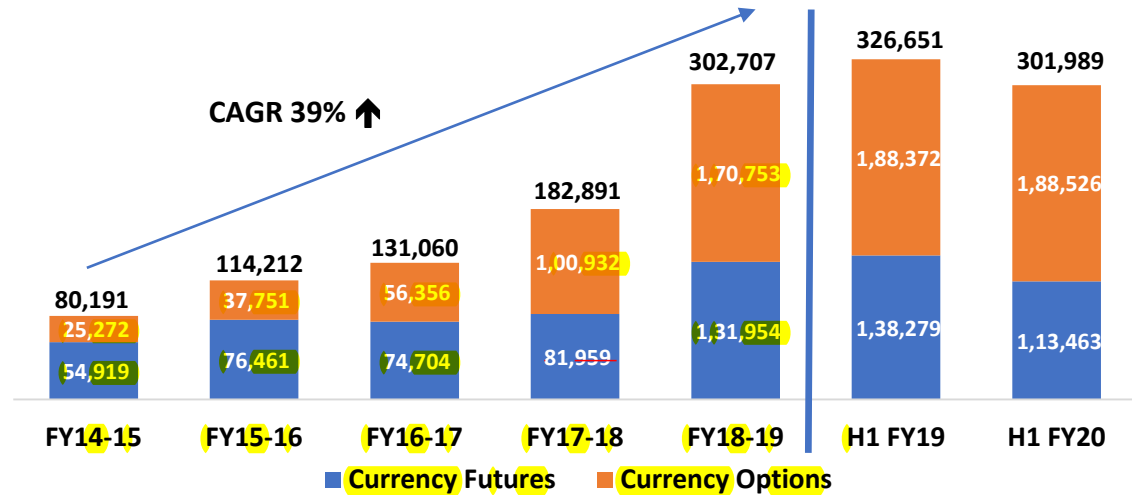


Revenues earned in this segment are subject to variation based on number and value of trades executed which are dependant on the economic cycle as well as the values of securities traded.

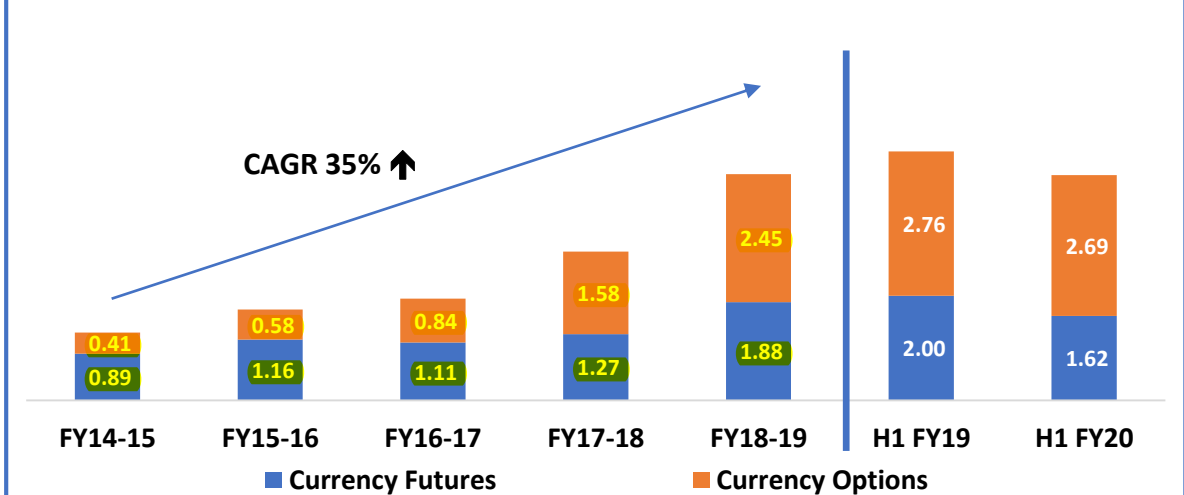
Inter-operability framework among clearing corporations fully operational with effect from July 15, 2019 in Equity Cash segment and July 29, 2019 in Equity Derivatives segment.

Currency Derivatives – Performance

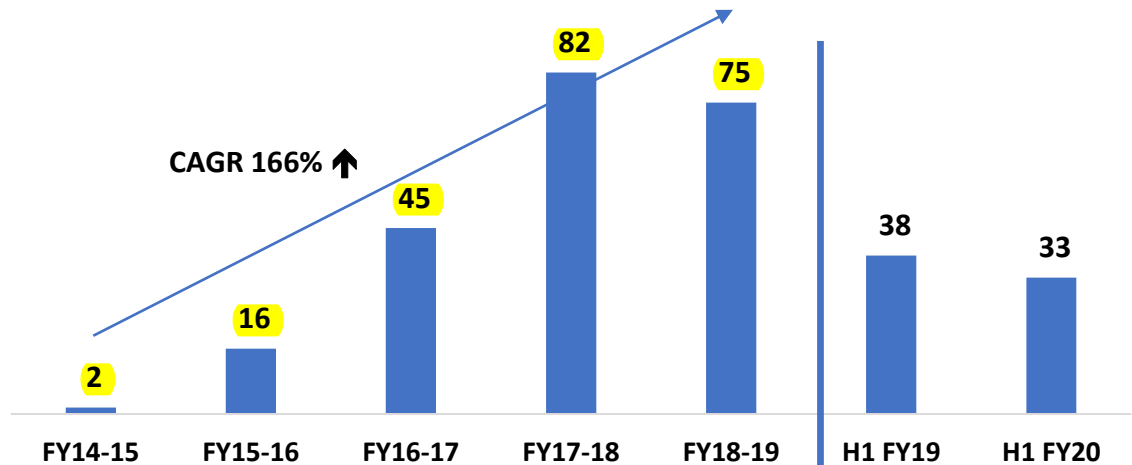
Average Daily Turnover (₹ million)



Average Daily Number of Contracts Traded (million)



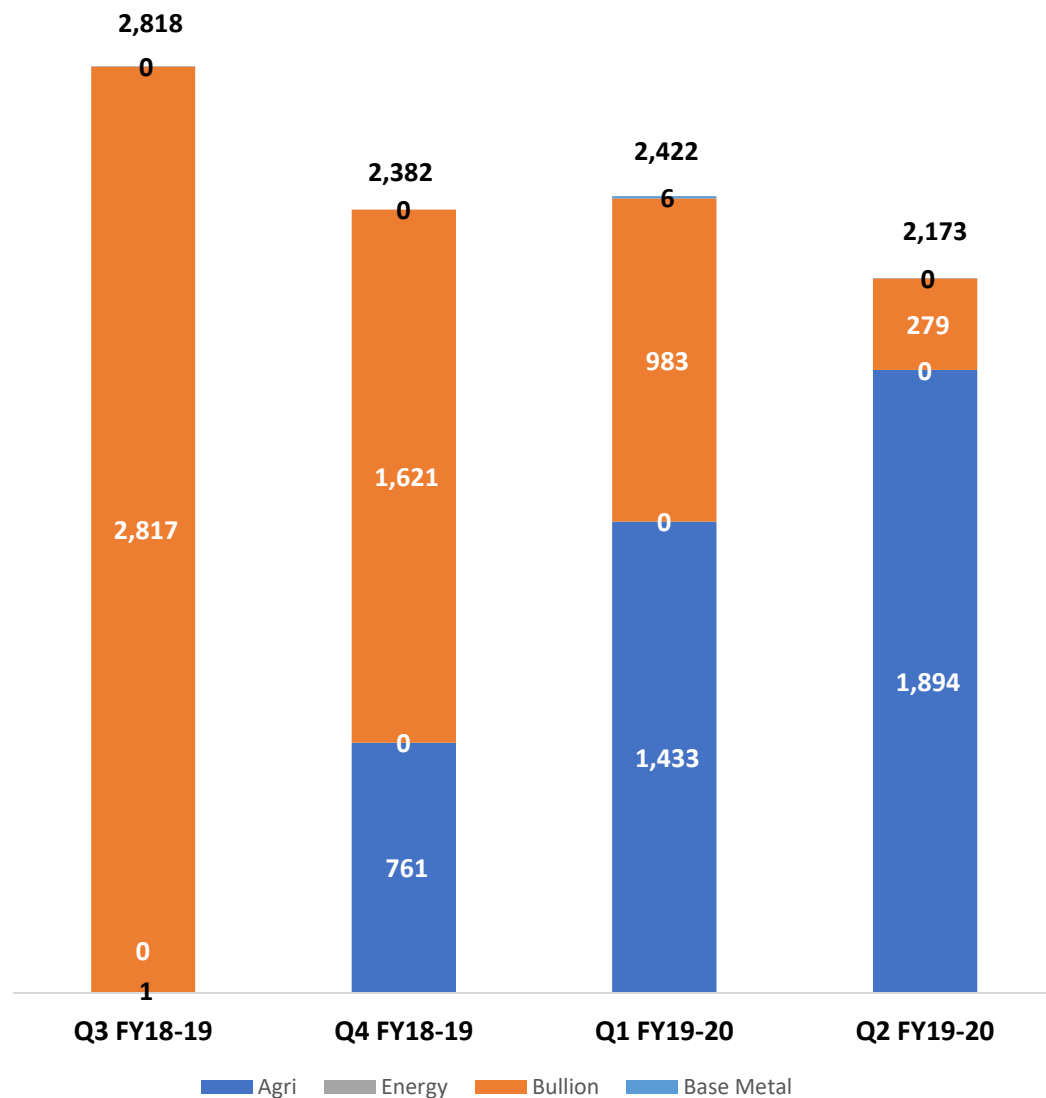
Transaction Charges Income (₹ million)



- Consistent growth in turnover and number of contracts traded in currency derivatives segment.
- BSE's market share in this segment for the quarter 30th September, 2019 stands at 41%
- Inter-operability framework among clearing corporations fully operational with effect from August 5, 2019 in Currency Derivatives segment.

Commodity Derivatives- Performance

Average Daily Turnover (₹ million)



*0 represents value less than 0.5 million

Introduced commodity futures contracts for trading in Gold, Silver, Copper, Oman Crude Oil, Guar Gum, Guar Seed, Cotton, Turmeric, Castor seed, Chana, Soybean

Members

272 Members admitted to trading in BSE's Commodity segment



Guarseed

M-Share in Q2 FY20 @ 26.7% and highest turnover of ₹ 1,681 million on 25th Jul'19



Cotton

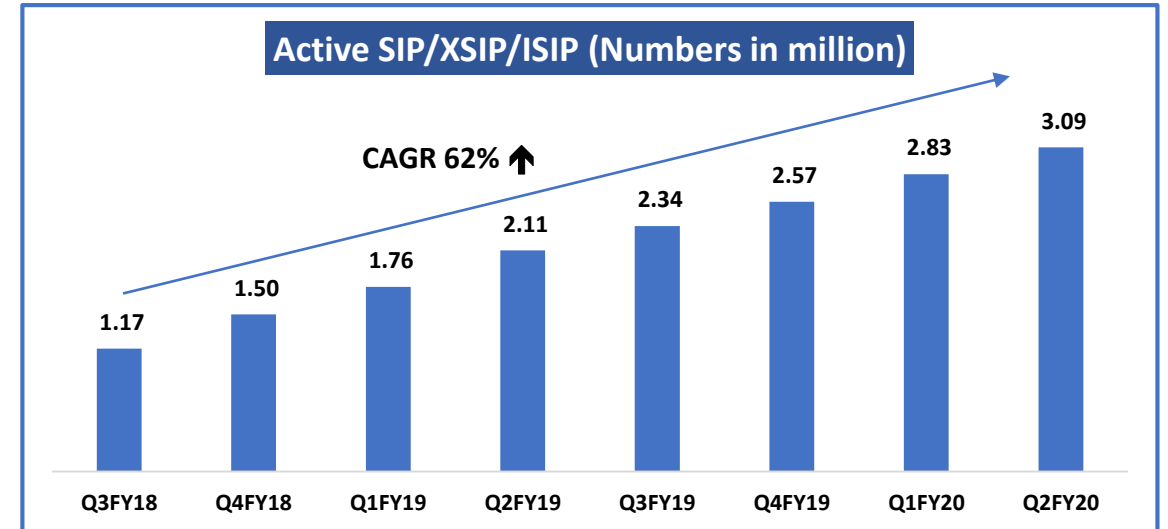
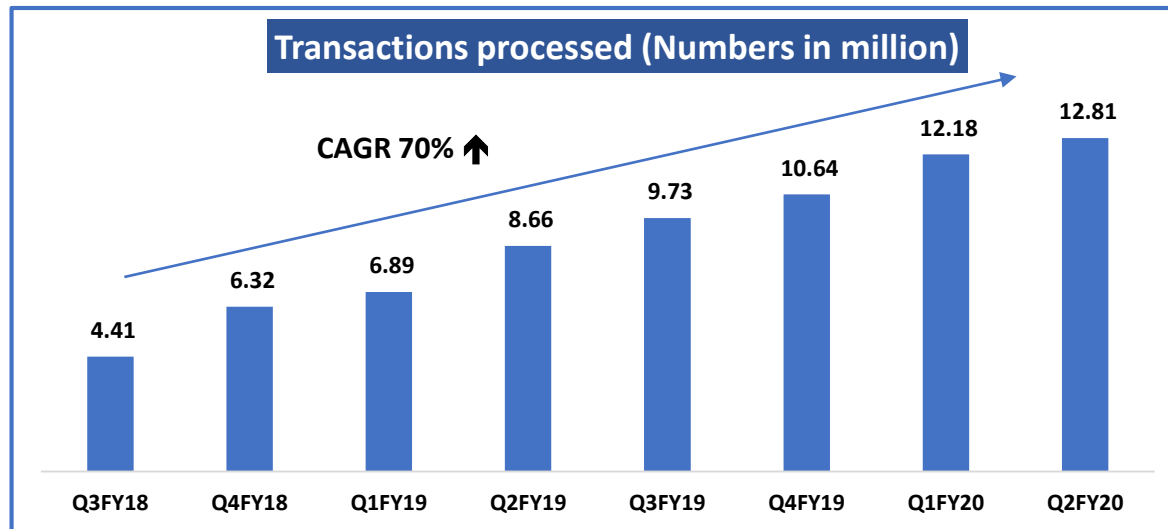
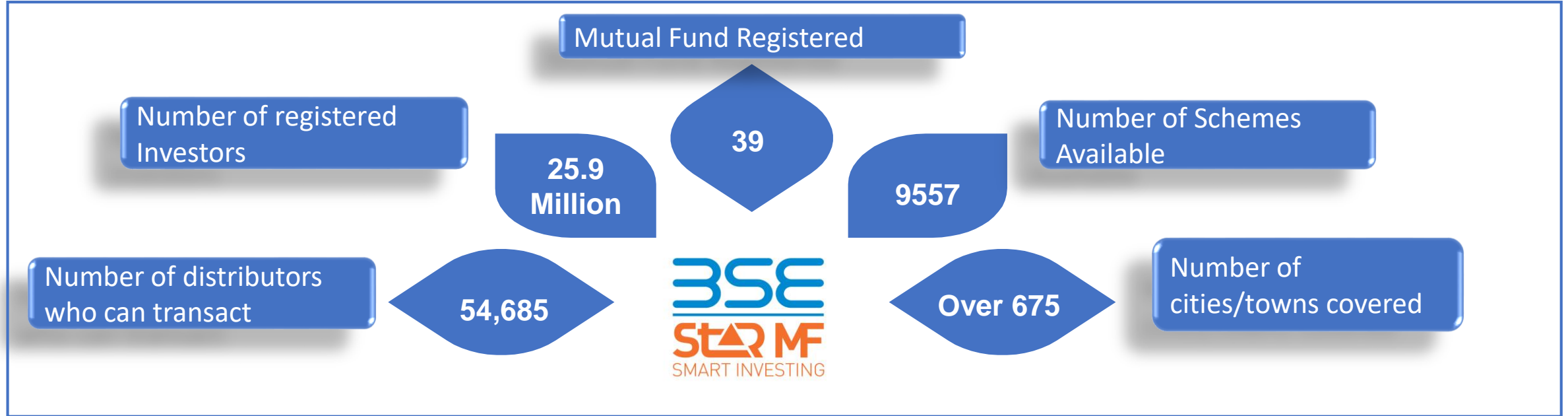
M-Share in Q2 FY20 @ 30% and highest turnover of ₹ 1,856 million on 7th Mar'19



BSE StAR Mutual Fund Platform – Introduction

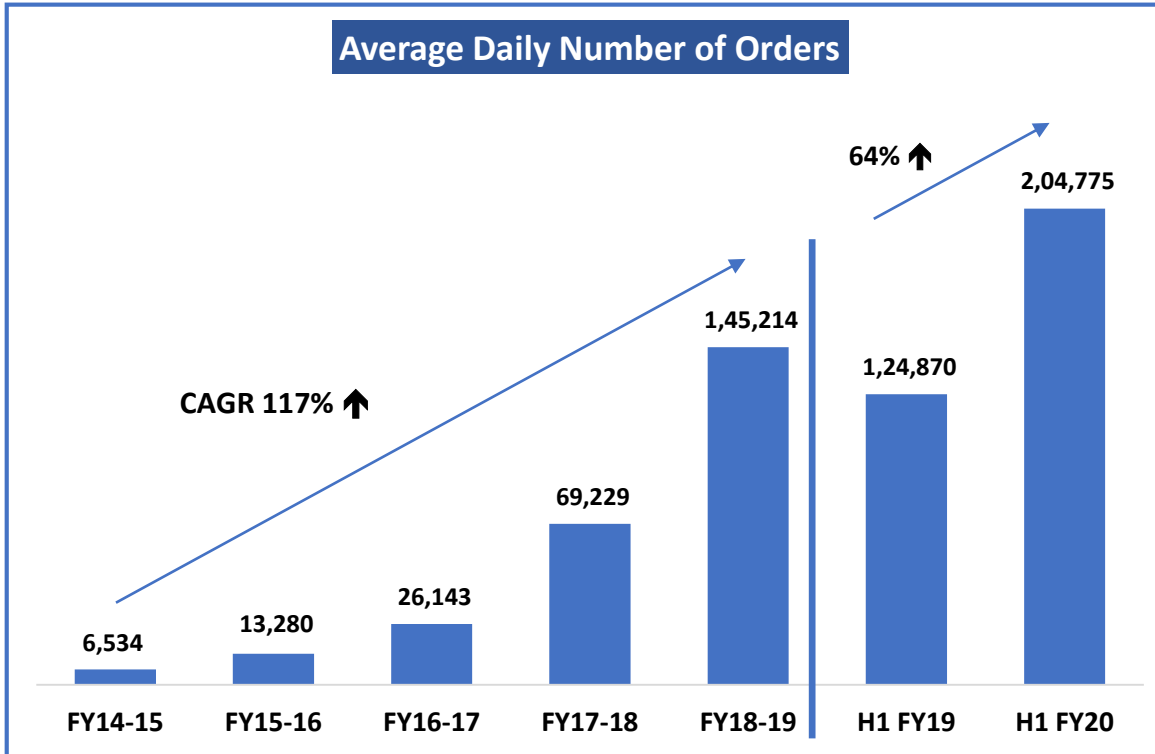


BSE StAR Mutual Fund Platform – Reach & Coverage



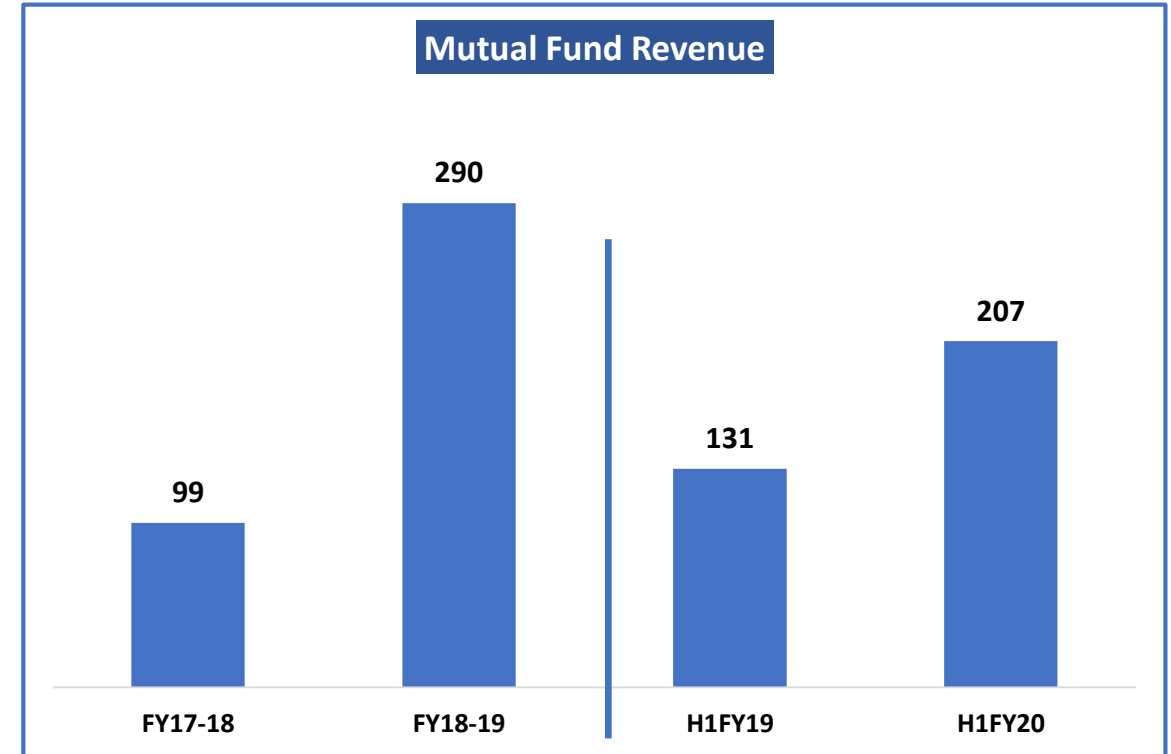
BSE Star Mutual Fund Platform - Performance

Average Daily Number of Orders



Exponential growth in number of orders

Mutual Fund Revenue



Steady non-linear increase in income

- Strong growth in revenue likely to continue over next few years aided by expected growth in distribution network, household savings and economic & demographical factors
- BSE Star MF becomes part of India's largest online MF distribution platform at 0 cost.

Orders Processed

~ 4.29 million (September 2019)

2190 members registered during Q2FY20

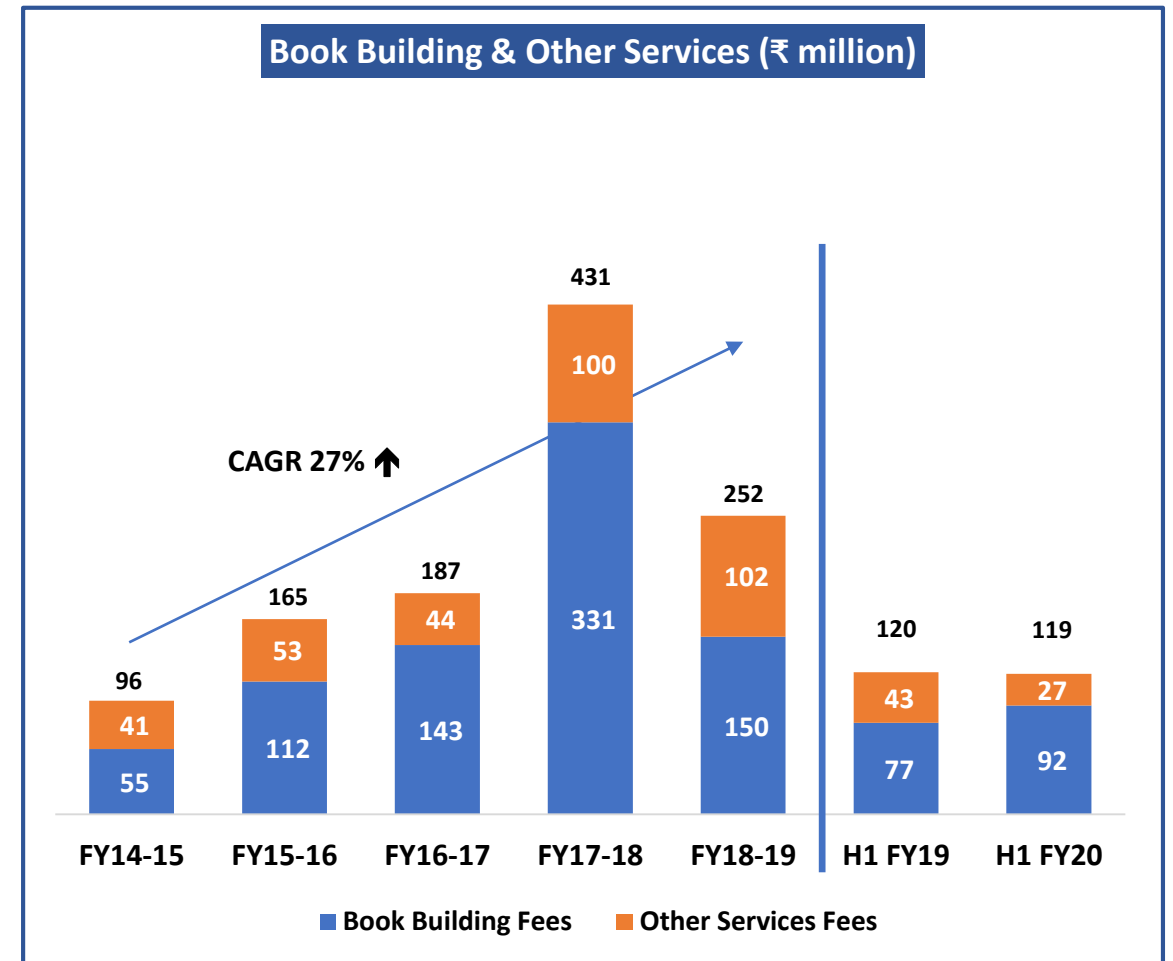
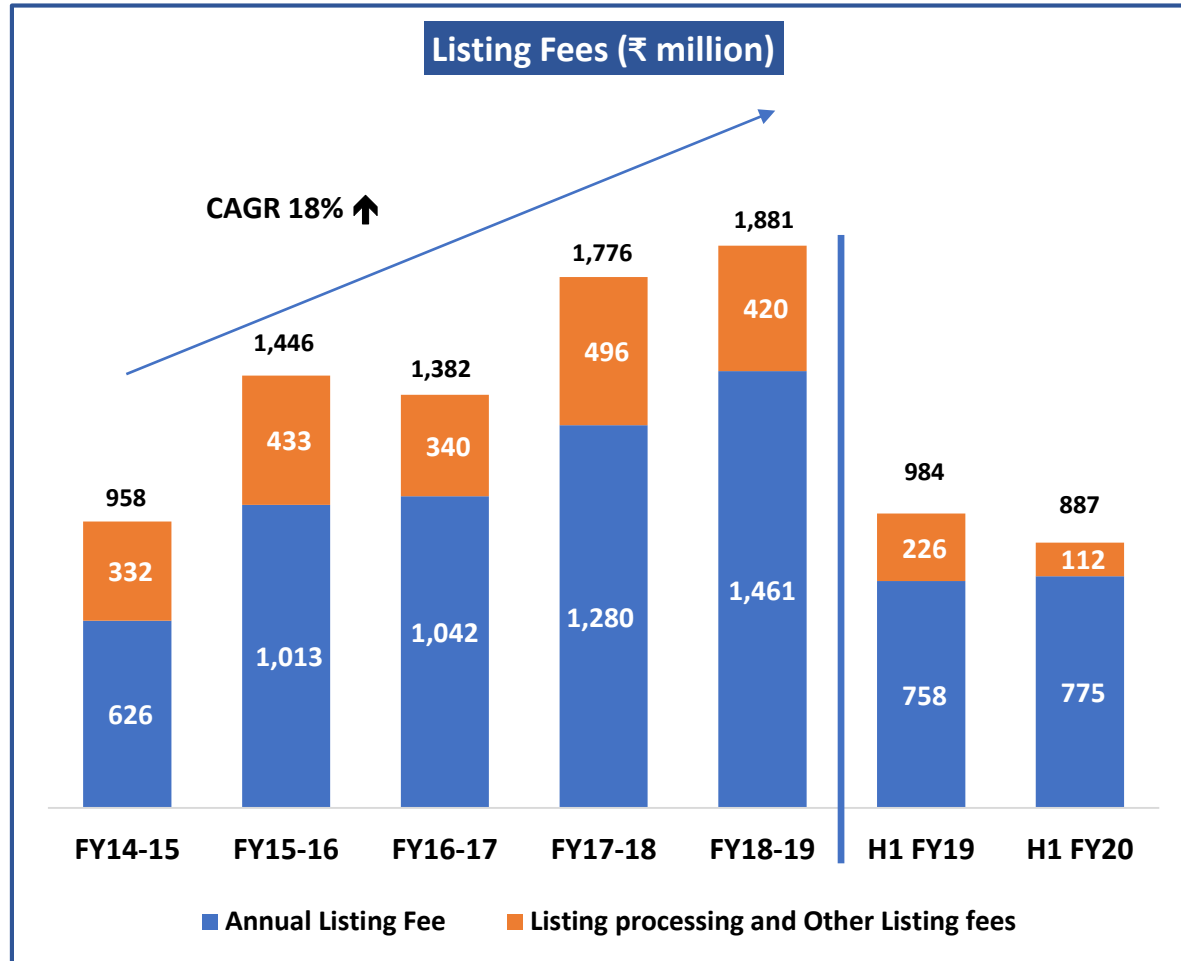
Quarterly Growth:

Mutual fund distributors ↑ 82% (Y-o-Y)

Orders Processed ↑ 48% (Y-o-Y)

Value of orders processed ↑ 39% (Y-o-Y)

Services to Corporates - Performance



Listing income stable with increasing bias due to incremental listings on the Exchange.

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

India International Exchange IFSC – Introduction



- Equity Index Derivatives
- Indian Stock Futures
- Commodity Futures
- Commodity Options
- Currency Derivatives
- Debt Securities



- 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)

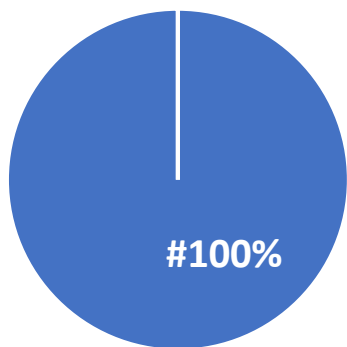


- BSE's India INX launches Global Access with connectivity to CME Group Exchanges, LME, ICE US & Europe, Eurex & Euronext N.V.

India International Exchange IFSC – Performance

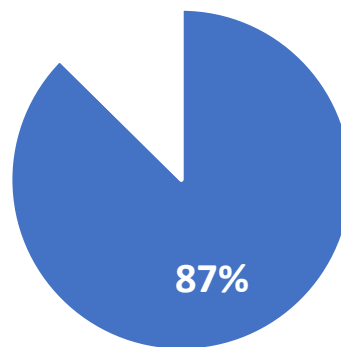
Marketshare

MTN Programme

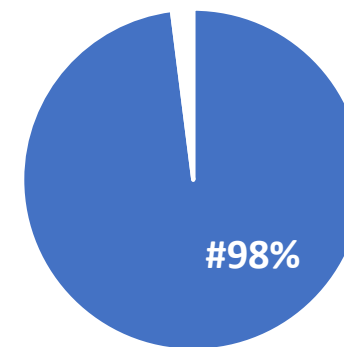


#100% of MTN established in IFSC are established with INDIA INX

Derivatives Trading



Bonds Listed



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

Fund Raising / Listing

10

USD 44,574 million

Numbers

Value

MTN Programme Established

40

USD 17,620 million

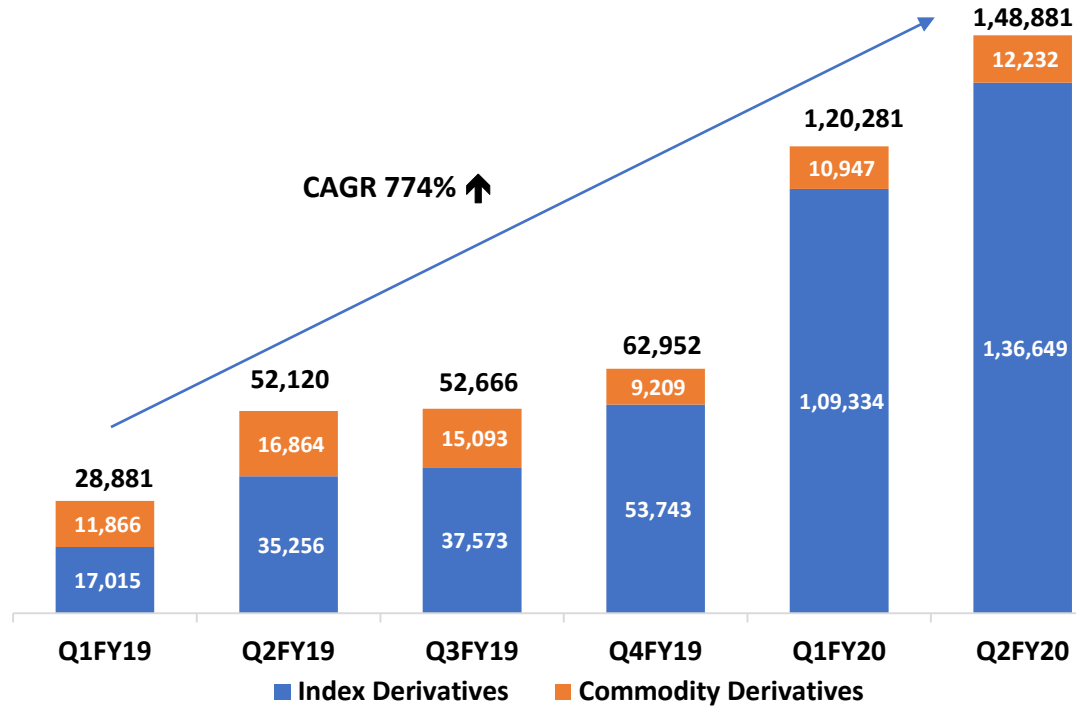
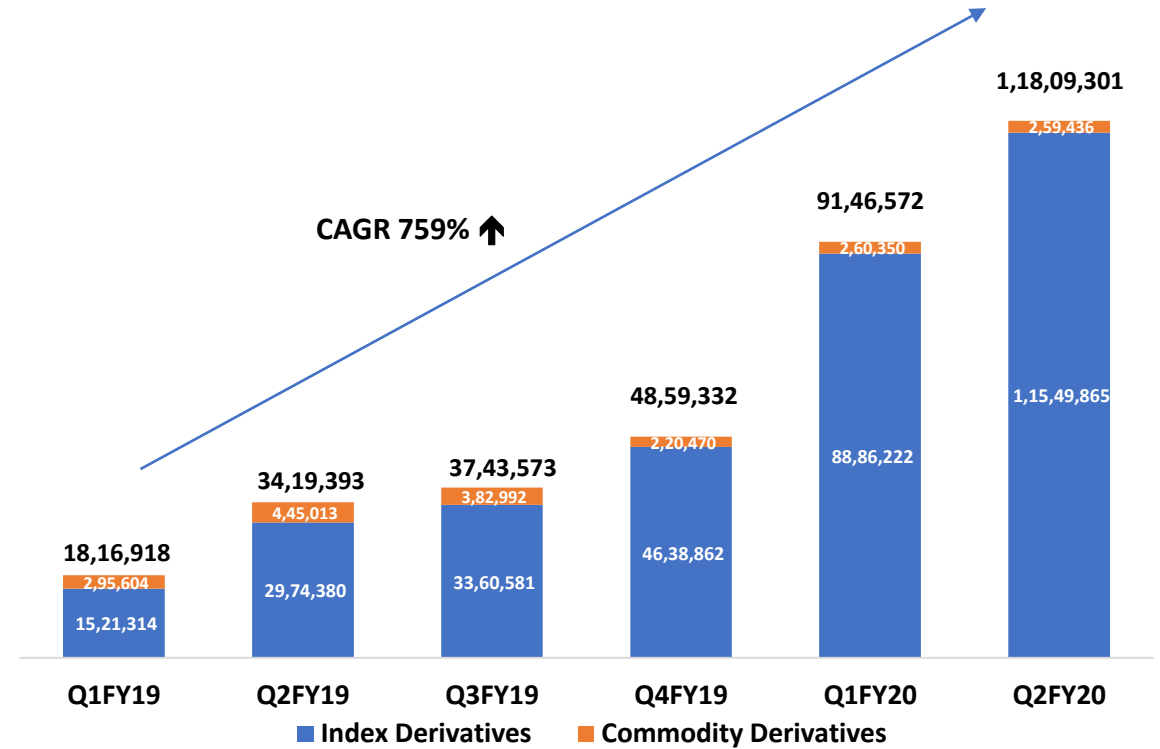
Numbers

Value

Bonds Listed

During Q2 FY20, approx. 25% of Indian issuers of Debt Securities in the international markets have listed on India INX's Global Securities Market.

India International Exchange IFSC

Total Turnover (in USD Million)

Number of Contracts Traded


India INX is the dominant IFSC Exchange in GIFT city with market share of **88%** in derivatives trading and **98%** in bond listing.

ICICI Bank has invested

- **7.71%** in India INX
- **9.90%** in India ICC

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

Highest Turnover in a day
\$ 4.91 Billion

on 25th July 2019

Global Rankings



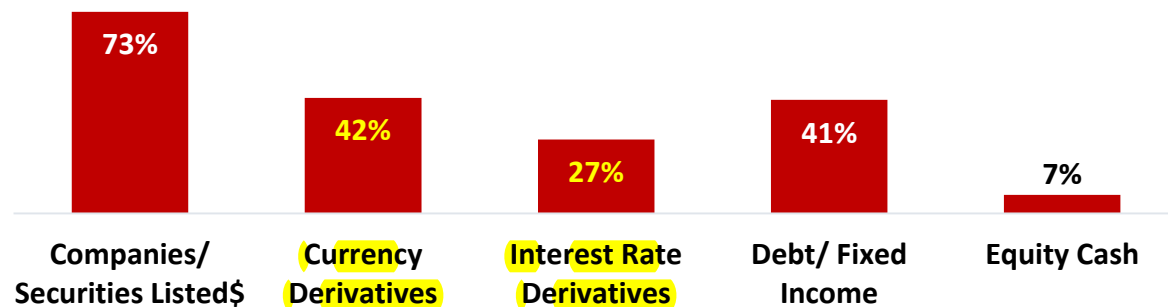
*Data as on September 2019

Data for the month of September 2019

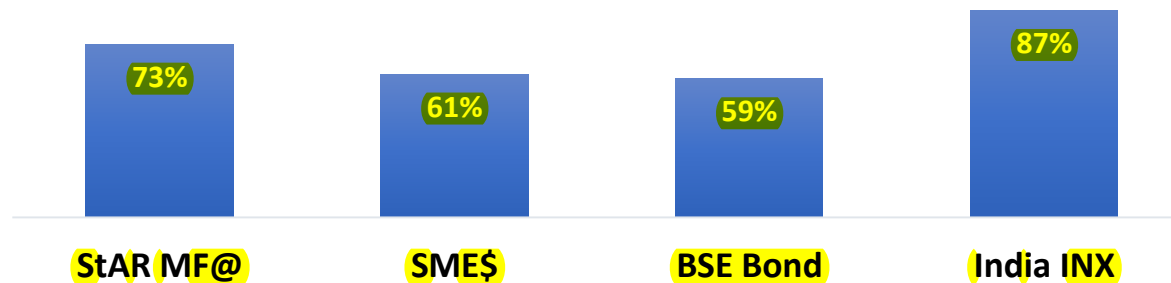
Source: BSE/WFE

Marketshare

Red Ocean Businesses



Blue Ocean Businesses



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

Market leadership in Blue Ocean Businesses

All Marketshare for Q2 FY20

@ Marketshare in Mutual Fund StAR Platform based on the value of purchase / redemption orders executed during Q2 FY20

Marketshare in SME Segment represents number of companies listed in SME segment during Q2 FY20

\$ As on September 30, 2019

New Businesses

Insurance Distribution JV with EBIX Fincorp Exchange Pte Limited received In-principle approval from IRDAI

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

Commodity Derivatives

*Subject to Regulatory Approvals



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Key Growth Drivers

E-platform Services

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

Inter-operability of Clearing Corporations

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

International Exchange

- Several amendments made vide The Finance (No. 2) Act, 2019 in tax laws to encourage foreign participation in International Exchanges at IFSC
- Unified Regulator to be set up vide The International Financial Services Centres Authority Bill, 2019. Bill currently to Standing Committee by Rajya Sabha
- Vide Statement on Development and regulatory policies dated October 04, 2019, RBI has accepted recommendation of Task Force on Offshore Rupee Markets for allowing rupee derivatives to be traded in International Financial Services Centres (IFSCs).

Mutual Fund

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



Other Initiatives

Insurance Broking

- Set up JV named BSE Ebix Insurance Broking Private Limited with Ebix to provide insurance broking services
- In-principle approval received for composite broking licence from Insurance Regulatory Development Authority of India

Power Exchange

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

Commodity Derivatives

- Launched Commodity Derivatives from October 1, 2018
- Commodities futures launched on Gold, Silver, Copper, Oman Crude Oil, Guar Gum, Guar Seed, Cotton, Turmeric, Castor seed, Chana, Soybean.

BSE Bond Platform

- Over ₹ 749 billion of privately placed debt was raised on BSE BOND platform through 107 issues in Q2 FY20
- Currently, no fees levied by BSE towards use of this e-platform facility





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Integrated Business Model

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

Primary



Trading



Clearing & Settlement



Distribution



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

Consolidated Profit & Loss

(₹ in million)

Sr. No.	Particulars	Sep'19 Quarter	Jun'19 Quarter	Sep'18 Quarter	H1 FY 20	H1 FY 19	FY 2018-19
1.	Transaction Charges	270	348	299	618	596	1,139
2.	Treasury Income on Clearing and Settlement Funds	56	74	75	130	164	307
3.	Other Securities Services	67	45	58	112	117	269
4.	Securities Services (1+2+3)	393	467	432	860	877	1,715
5.	Services to Corporates	516	492	545	1,009	1,105	2,136
6.	Other Operating Income	180	162	175	342	318	652
7.	Revenue from Operations (4+5+6)	1,089	1,121	1,152	2,211	2,300	4,503
8.	Income From Investments and Deposits	451	491	422	942	812	2,022
9.	Other Income	55	48	41	101	88	162
10.	Total Income (7+8+9)	1,595	1,660	1,615	3,254	3,200	6,687
11.	Employee Expenses	392	376	343	768	680	1,392
12.	Technology Cost & Technology Program	289	300	290	588	570	1,134
13.	Admin & Other Expenses	465	390	383	856	738	1,685
14.	Total Operating Expenses (11+12+13)	1,146	1,066	1,016	2,212	1,988	4,211

Consolidated Profit & Loss (cont'd)

Sr. No.	Particulars	Sep'19 Quarter	Jun'19 Quarter	Sep'18 Quarter	H1 FY 20	H1 FY 19	FY 2018-19
15.	EBITDA (10-14)	449	594	599	1,042	1,212	2,476
16.	EBITDA Margin (15/10 in %)	28%	36%	37%	32%	38%	37%
17.	Depreciation & Amortization	125	120	120	245	235	511
18.	Finance Cost	4	5	3	9	4	9
19.	Non Recurring Revenue *	1	0	26	2	83	188
20.	Non Recurring / Exceptional Expenses @	67	38	71	105	98	260
21.	Profit Before Tax & Non-controlling Interest/Associates (15-17-18+19-20)	254	431	431	685	958	1,884
22.	Share of profit from Associates	73	70	77	143	135	292
23.	Profit Before Tax (21+22)	327	501	508	828	1,093	2,176
24.	Tax Expenses / Non-controlling Interest	-40	88	101	48	171	234
25.	Net Profit From Continuing Operations (23-24)	367	413	407	780	922	1,942
26.	Net Profit Margin (25/10 in %)	23%	25%	25%	24%	29%	29%
27.	Profit From Discontinued Operation	0	0	51	0	51	51
28.	Net Profit from Total Operation (26+27)	367	413	458	780	973	1,993

* Non Recurring Revenue items includes reversals of certain expense provision for earlier years and Interest on tax refunds.

@ Non Recurring Expenses includes provision made for investment in IL&FS Group's Secured Debentures, Liquidity Enhancement Scheme and Voluntary retirement scheme.

Standalone Profit & Loss

Sr. No.	Particulars	Sep'19 Quarter	Jun'19 Quarter	Sep'18 Quarter	H1 FY 20	H1 FY 19	FY 2018-19
1.	Securities Services	311	387	346	698	695	1,363
2.	Services to Corporates	515	491	544	1,006	1,104	2,133
3.	Data Dissemination Fees	79	76	77	155	147	302
4.	Revenue from Operations (1+2+3)	905	954	967	1,859	1,946	3,798
5.	Income From Investments and Deposits	477	420	481	897	862	1,958
6.	Other Income	60	49	50	108	96	181
7.	Total Income (4+5+6)	1,442	1,423	1,498	2,864	2,904	5,937
8.	Employee Expenses	242	240	210	481	419	848
9.	Technology Cost & Technology Program	326	334	326	660	638	1,265
10.	Admin & Other Expenses	406	335	309	741	595	1,291
11.	Total Operating Expenses (8+9+10)	974	909	845	1,882	1,652	3,404

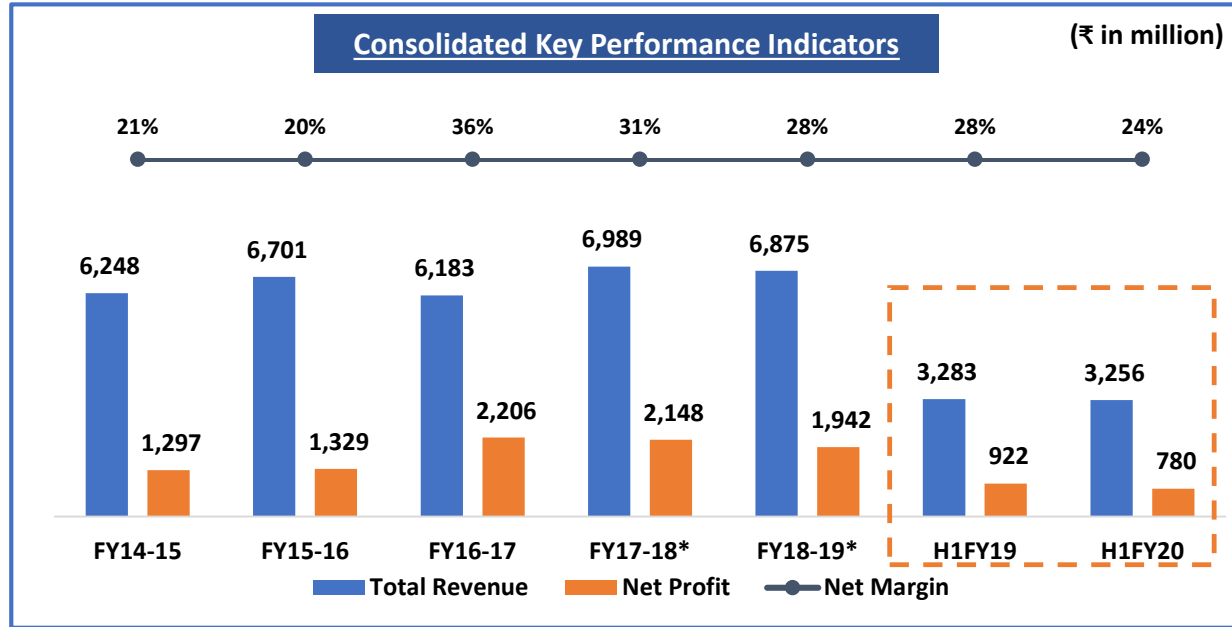
Standalone Profit & Loss (cont'd)

Sr. No.	Particulars	Sep'19 Quarter	Jun'19 Quarter	Sep'18 Quarter	H1 FY 20	H1 FY 19	FY 2018-19
11.	Total Operating Expenses (8+9+10)	974	909	845	1,882	1,652	3,404
12.	EBITDA (7-11)	468	514	653	982	1,252	2,533
13.	EBITDA Margin (12/7 in %)	32%	36%	44%	34%	43%	43%
14.	Depreciation & Amortization	108	102	102	210	200	440
15.	Non Recurring Revenue *	1	0	77	2	133	238
16.	Non Recurring / Exceptional Expenses @	27	0	34	27	39	145
17.	Profit Before Tax (12-14+15-16)	334	412	594	747	1,146	2,186
18.	Tax Expenses	-58	68	64	11	98	175
19.	Net Profit After Tax (17-18)	392	344	530	736	1,048	2,011
20.	Net Profit Margin (19/7 in %)	27%	24%	35%	26%	36%	34%

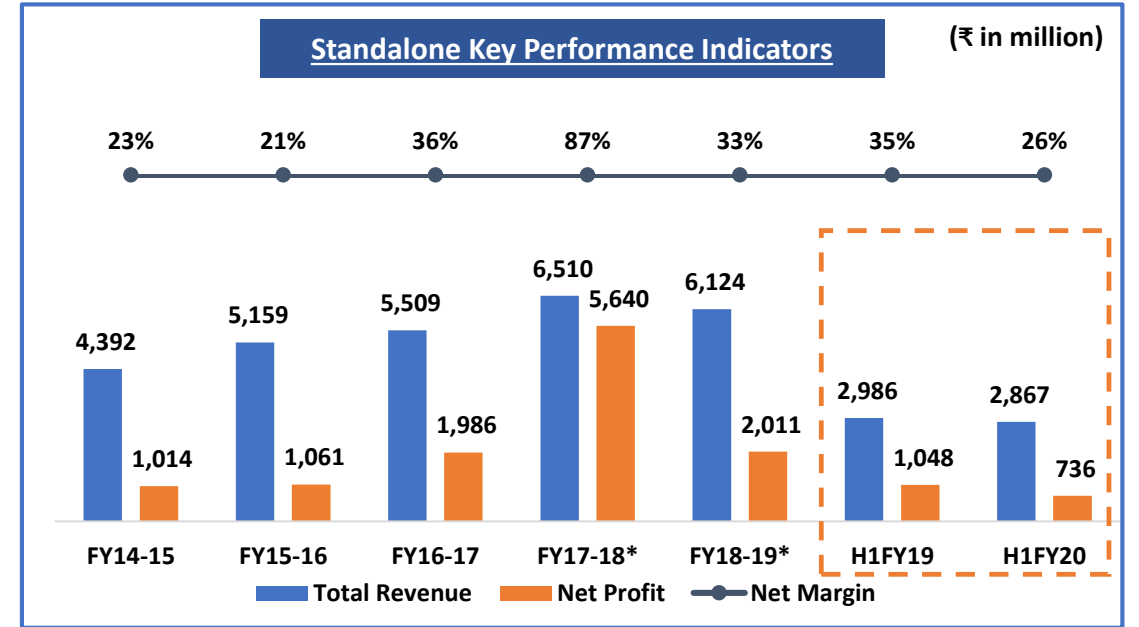
* Non Recurring Revenue items includes reversals of certain expense provision for earlier years, Interest on tax refunds and receipt of withheld proceeds of equity shares of CDSL offered in its IPO.

@ Non Recurring Expenses includes Provision made for investment in IL&FS Group's Secured Debentures, Impairment of certain Equity Investments and Voluntary retirement scheme.

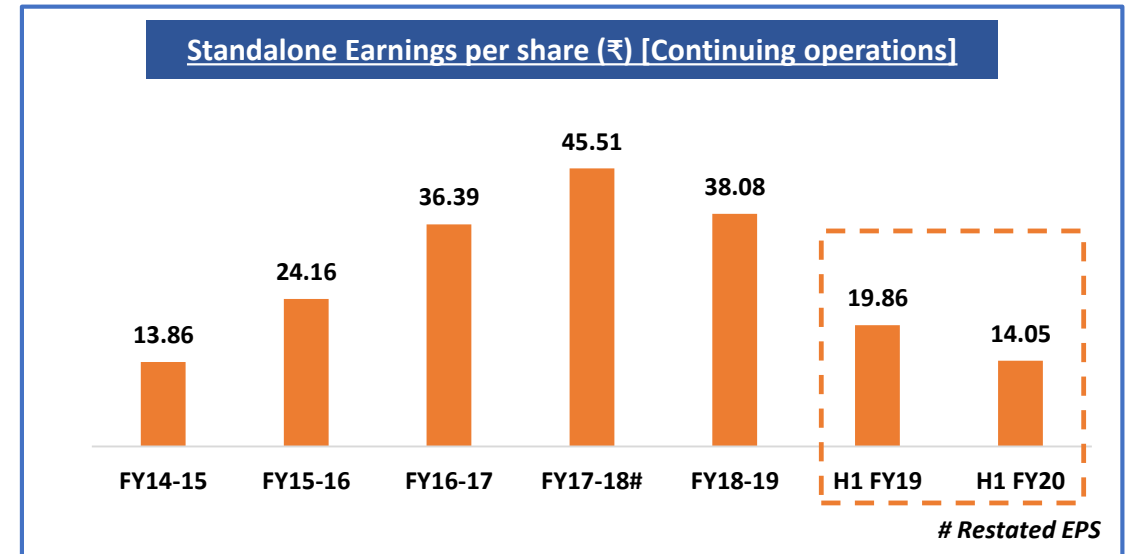
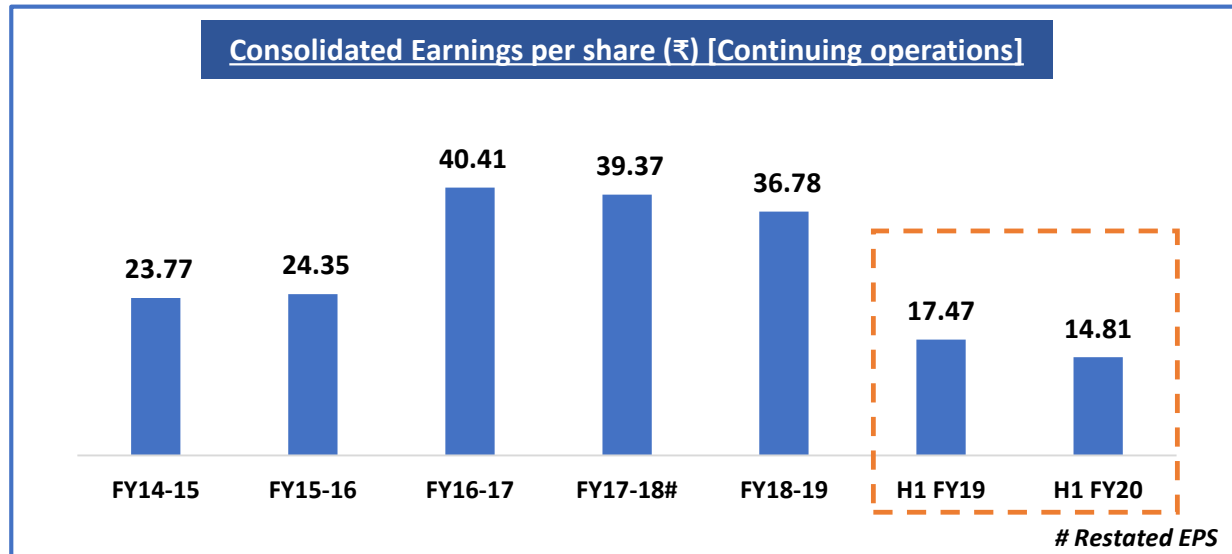
Financial Overview



* Net profit from continuing operation

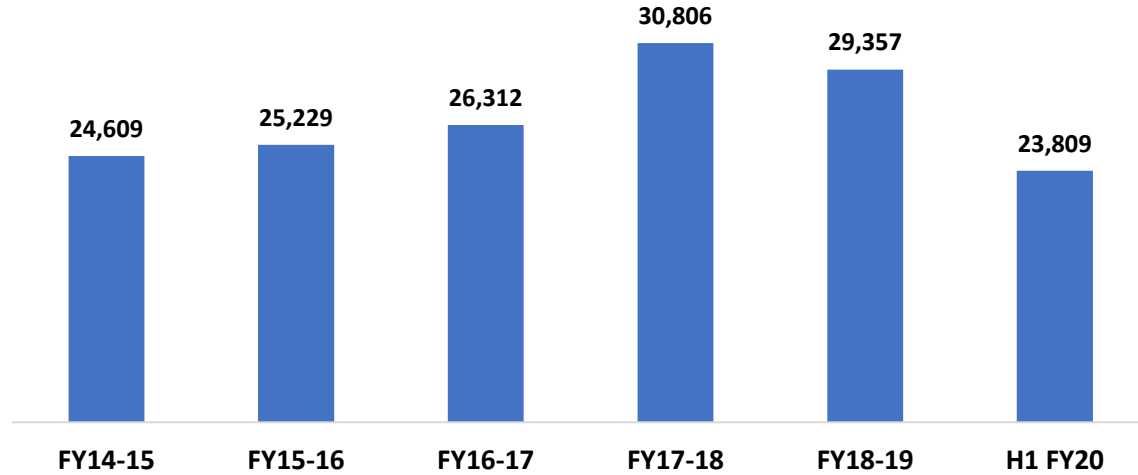


* Net profit from continuing operation

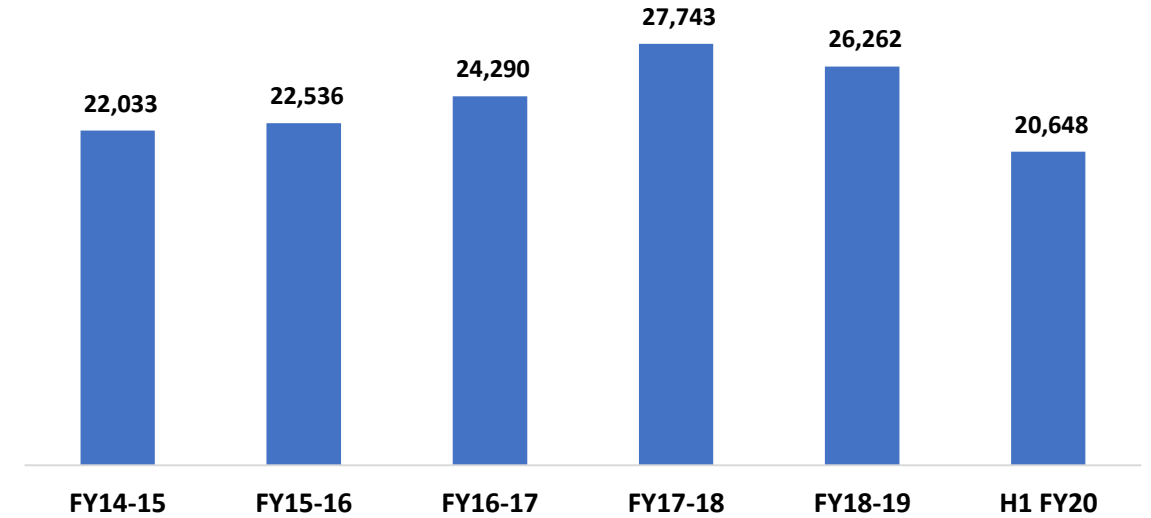


Financial Overview (cont'd)

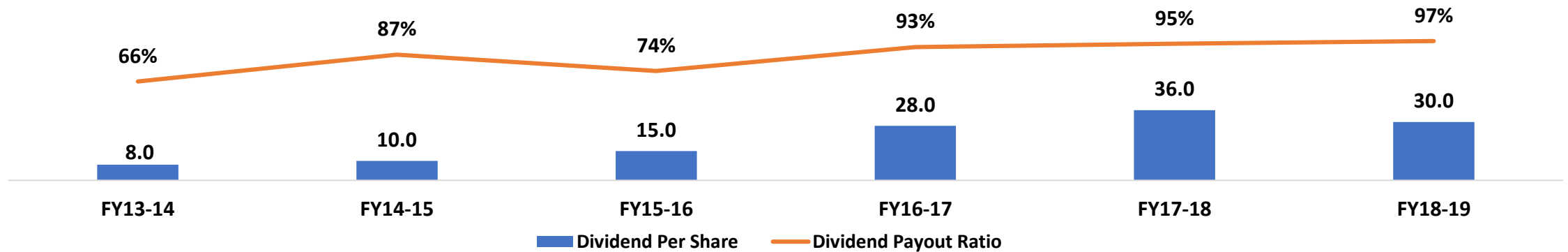
Consolidated Net-worth (₹ million)



Standalone Net-worth (₹ million)



Dividend per share (₹) & Pay-out Ratio

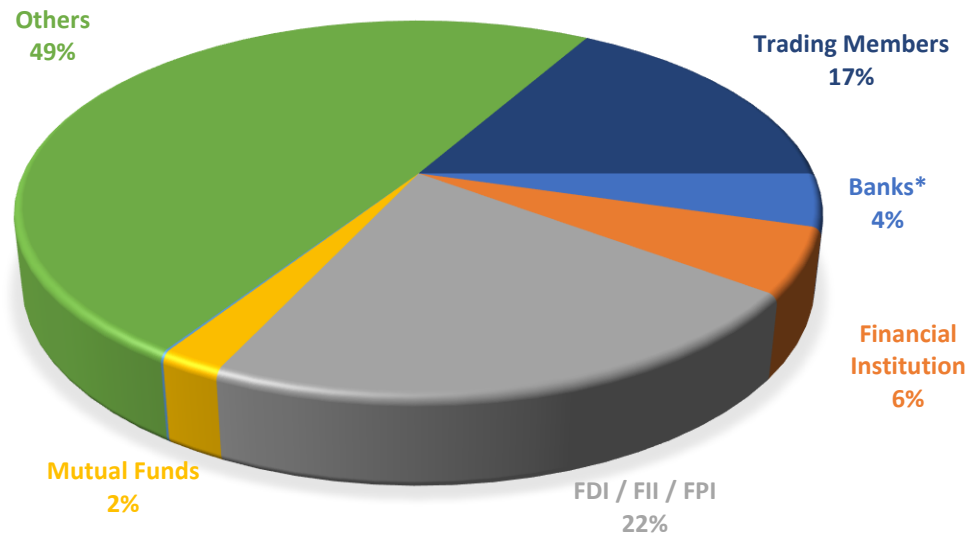


Figures as per restated IGAAP financials for FY12-13 to FY14-15 and Ind-AS financials for FY15-16 onwards

Dividend pay-out ratio is calculated based on Standalone Profit

Shareholding Pattern

SHAREHOLDING PATTERN

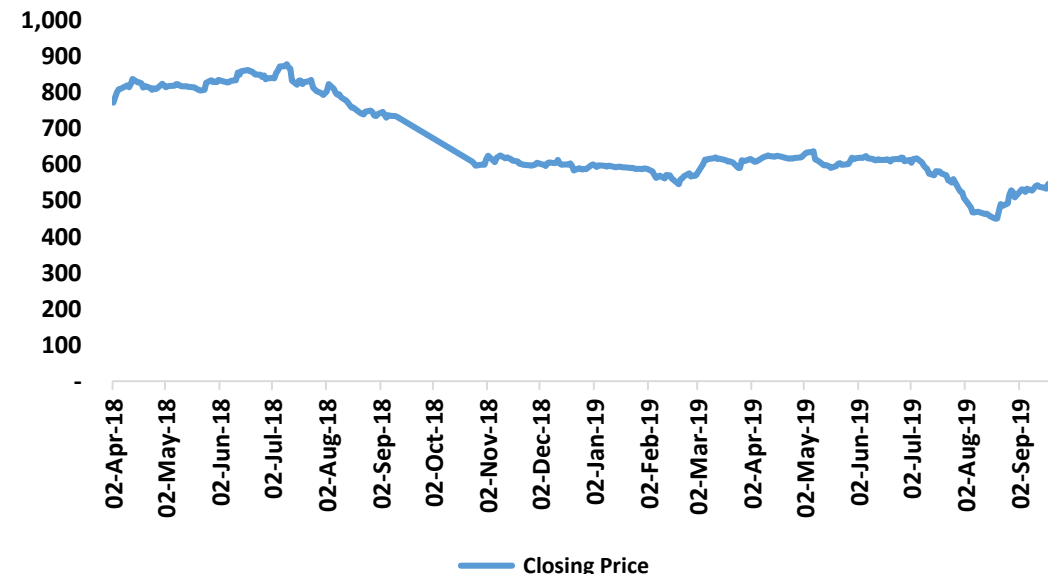


*Banks includes bank which are trading members

SOME KEY SHAREHOLDERS

Life Insurance Corporation of India	5.61%
Deutsche Boerse AG	4.41%
Pabrai Investment Funds	2.60%
State Bank of India	2.39%
Jupiter Asset Management	2.03%
Siddharth Balachandran	1.93%
Acacia Banyan Partners Limited	1.74%
Caldwell India Holdings Inc.	1.49%
Akshay Vasantlal Mehta.	1.49%
MSPL Limited	1.33%

CLOSING PRICE



MARKET DATA

Market Capitalization (₹ Mn)	25,404.96
Price (₹)	564.25
No. of Shares Outstanding (Mn)	4,50,24,297
Face Value (₹)	2
Avg. Qtrly Trading Volume (₹ Mn)	62.18
Avg. Qtrly Trading Volume (Mn shares)	0.12
52 week High-Low (₹)	653.80 – 446.20

THANK YOU

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