

S&P  BSE
SENSEX

BSE
EXPERIENCE THE NEW


**MAY
UPDATE
2014**

India's fastest exchange with 200 microseconds response time. Already the 2nd largest currency derivatives exchange within 3 months of launch.

LIQUIDITY • LOWER COSTS • MARKET MAKERS • TIGHT SPREADS • LARGE DEPTH • LARGE PARTICIPANT BASE

CORPORATE PRESENTATION: OUTLINE



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CREDENTIALS

- Largest number of listed companies in the world – **5355** as of 30 April 2014
- Largest exchange in India and 7th largest exchange in Asia in terms of market capitalization - Over USD 1.24 Trillion and 14th largest exchange globally *
- 5th most liquid exchange globally for Index Options
- 10th largest exchange in the world in terms of number of trades in Equity Shares
- Full bouquet of products including Equity, Equity Derivatives, Currency Derivatives, Interest Rate Derivatives, Debt Products, Security Lending & Borrowing Platform, IPO, SME Platform, Mutual Funds, ETFs and Offer for Sale (OFS).
- Partnership with S&P Dow Jones Indices on Index Products
- Exchange Technology from Deutsche Boerse Group (Eurex Platform)
- Cross listing of benchmark index S&P BSE SENSEX in BRICS countries

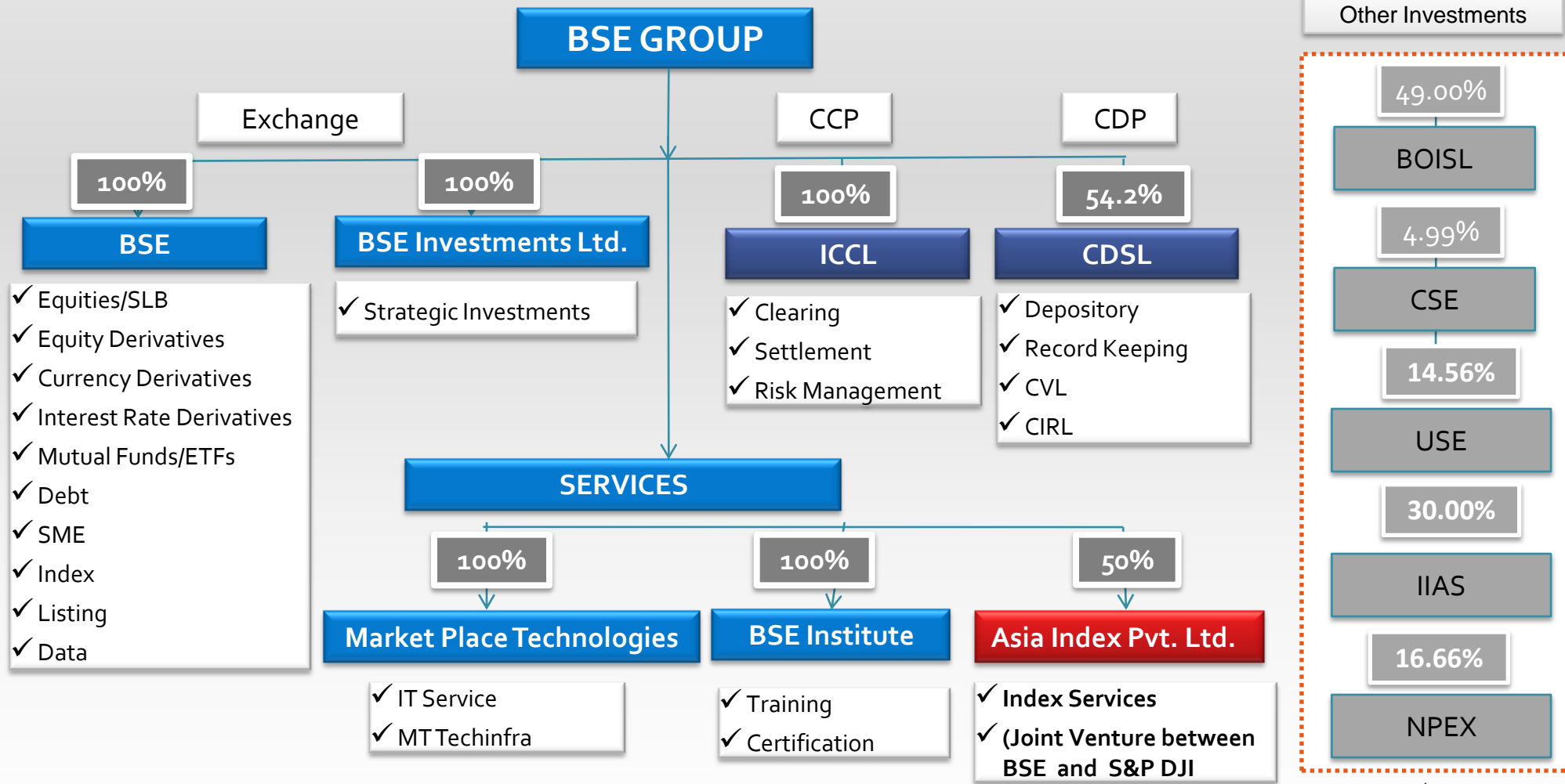


* Sources : World Federation of Exchanges (WFE)

BSE GROUP



A COMPLETE SECURITIES ECO-SYSTEM



As of 30th April 2014

CONTINUOUS EVOLUTION



THE HALLMARK OF A GREAT INSTITUTION



First Wave (1995)

Migration from open out-cry to online screen-based order driven trading system

Second Wave (2007)

Corporatization & Demutualization from an Association of Persons (AOP)

Third Wave (2010)

Transformation to Integrated transaction processing company in the Financial Infrastructure Space

A DISTINGUISHED BOARD OF DIRECTORS



Mr. S. Ramadorai

- Chairman
- Public Interest Director
- Advisor to Prime Minister (eq. to Cabinet Minister)
- Non-Executive Chairman, TCS;



Mr. Ashishkumar Chauhan

- Managing Director & CEO
- Former Reliance Group, CIO



Mr. Sudhakar Rao

- Public Interest Director
- Retd. IAS



Mr. Andreas Preuss

- Shareholder Director
- Deputy CEO Deutsche Borse AG



Dr. Sanjiv Misra

- Public Interest Director
- Retd. IAS



Mr. Thomas Bendixen

- Shareholder Director
- Alternate Director to Mr. Andreuss Preuss



Mr. S. H. Kapadia

- Public Interest Director
- Retd. Chief Justice of India



Mr. Keki Mistry

- Shareholder Director
- Vice-Chairman, HDFC

NAME / TITLE

DESCRIPTION



Ashishkumar Chauhan

Managing Director & Chief Executive Officer

- Ashish joined BSE in Sep-09 as the Deputy Chief Executive Officer and has been serving as the CEO since May-12. He is present on the board of group companies including Central Depository Services Limited (CDSL), Indian Clearing Corporation Limited (ICCL), etc.
- Prior to joining BSE, Ashish was serving as the President and Group Chief Information Officer (CIO) of Reliance Industries Limited and CEO of India win Sports (owner of Mumbai Indians). He was also one of the key personnel involved in the setting up of National Stock Exchange of India (NSE) and was responsible for setting up the Equity and Derivatives Markets in addition to USAT technologies for the 1st time in India.
- He has completed his Bachelor's in Engineering from Indian Institute of Technology, Bombay and Post Graduate studies in business from Indian Institute of Management Calcutta



V Balasubramaniam

Chief Business Officer

- Bala currently serves as the Chief Business Officer heading the business development and operations, comprising Markets, Listings and Market Data division. He is a board member for BSE Institute Ltd., The Calcutta Stock Exchange Ltd., Central Depository Services Limited (CDSL), BOI Shareholding Ltd., Asia Index Private Ltd., CDSL Ventures Ltd. & Futures Industry Association - ASIA.
- He has close to two decades of experience in the capital markets industry and has previously worked with Reliance Group and as co-founder of Marketplace Technologies.
- He was part of the core team involved in setting up the National Stock Exchange in 1993 and was involved in roll out of the Capital Market Segment, Creation of NSCCL, Nifty, NCFM and Futures & Options Segment.
- He is a Master's in commerce from the University of Mumbai and is a Rank holder from the Institute of Costs and Works Accountants



Nehal Vora

Chief Regulatory Officer

- Nehal currently heads all the regulatory functions of the exchange which include membership compliance, surveillance, inspection, investigation, regulatory communication, investor services, listing compliance and regulatory legal.
- He has more than 15 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 post which he was a Director, Law & Compliance at DSP Merrill Lynch Ltd heading Broking and Investment banking Compliance
- He has a commerce degree from Mumbai University and a Master of Management Studies from Narsee Monjee Institute of Management Studies, University of Mumbai



Nayan Mehta

Chief Financial Officer

- Nayan currently serves as the CFO at BSE.
- He has previously worked at Credit Analysis & Research Ltd. (CARE Ratings) as Joint General Manager (Accounts), CFO at Multi Commodity Exchange of India Limited and at the National Stock Exchange
- He has completed his Chartered Accountancy certification from Institute of Chartered Accountants of India and has a Bachelors in Commerce degree from University of Mumbai



Kersi Tavadia

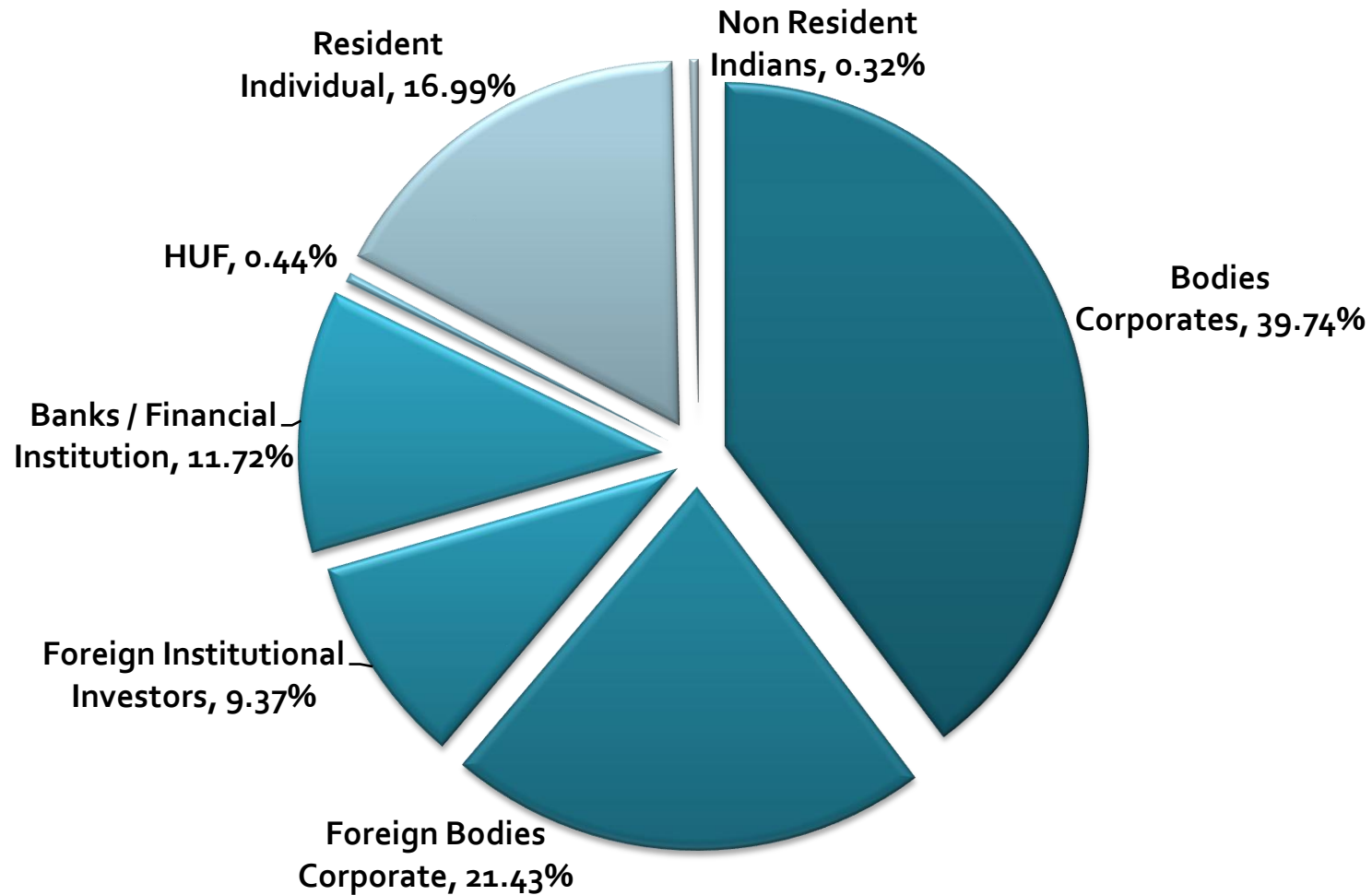
Chief Information Officer

- Kersi currently serves as the CIO and is responsible for application systems & IT infrastructure development and management.
- He has over 27 years of experience in the area of Applications / IT development and management and has previously worked with HSBC InvestDirect, Motilal Oswal, IL&FS and most recently as CEO of Marketplace Technologies
- He is a physics graduate from University of Mumbai and has completed his diploma in Computer Science from Data Matrix. He has also completed Masters in Financial Management from Narsee Monjee Institute of Management Studies (NMIMS)

AN EXPERIENCED MANAGEMENT TEAM

SHAREHOLDING PATTERN AS ON MARCH 31, 2014

Paid up Capital Rs. 10.38 crores | Face Value per share 1/- each



BSE – PRODUCTS & SERVICES HIGHLIGHTS



INDEX OPTIONS – GLOBAL LIQUIDITY COMPARISON

YTD 2014, BSE is the 3rd most Liquid exchange in Asia for Index Options.
-World Federation of Exchanges

INDEX OPTIONS		
Rank	Exchange	* No of Contracts Traded YTD'14
1	National Stock Exchange India	25,93,09,083
2	Korea Exchange	15,38,48,023
3	BSE India	10,80,14,328
4	TAIFEX	3,49,55,819
5	Osaka SE	1,51,09,921
6	Hong Kong Exchanges	56,77,194
7	Singapore Exchange	32,79,437
8	ASX Derivatives Trading	27,63,904
9	ASX SFE Derivatives Trading	1,77,183
10	Tokyo SE Group	47,987

BSE is the 5th most liquid Exchange for Index options - globally

EQUITY TRADES – GLOBAL EXCHANGES

YTD 2014, BSE is the 8th largest exchange in Asia by Number of Equity Trades
-World Federation of Exchanges

Equity Trades		
Rank	Exchange	No. of Equity trades YTD'14
1	Taiwan SE Corp.	1,71,04,365.1
2	HoChiMinh SE	39,59,983.0
3	National Stock Exchange India	4,80,502.1
4	Shenzhen SE	4,61,147.4
5	Shanghai SE	3,39,175.0
6	Korea Exchange	3,36,535.0
7	Japan Exchange Group - Tokyo	2,04,169.9
8	BSE India	1,20,319.9
9	Hong Kong Exchanges	72,435.2
10	Australian SE	59,061.6

BSE is the 10th largest exchange globally, in terms of Equity Trades

MARKET CAPITALIZATION COMPARISON

For April 2014, BSE is the 14th largest Exchange Globally by Market Capitalization
World Federation of Exchanges

Market Capitalization		
Rank	Exchange	Market Capitalization Apr 2014 (USD millions)
1	NYSE Euronext (US)	1,84,19,956.3
2	NASDAQ OMX	62,58,192.8
3	Japan Exchange Group - Tokyo	42,15,097.5
4	Euronext	38,13,082.4
5	Hong Kong Exchanges	29,51,344.7
6	Shanghai SE	23,56,419.3
7	TMX Group	22,00,633.8
8	Deutsche Börse	19,58,593.3
9	SIX Swiss Exchange	16,21,929.4
10	Australian SE	14,50,857.6
11	Shenzhen SE	14,18,375.1
12	NASDAQ OMX Nordic Exchange	13,57,323.1
13	Korea Exchange	12,58,413.2
14	BSE India	12,42,608.1
15	National Stock Exchange India	12,18,061.3

OUR PRODUCTS

Secondary Market

- Equity
- Equity Derivatives
- Currency Derivatives
- Interest Rate Derivatives
- ETFs
- Debt – Corporate Bond and Government Securities.
- Mutual Funds (Close Ended)
- SME
- Securities Lending and Borrowing

Primary Market

- IPOs / FPOs and Rights Issues
- Institutional Placement Programme (IPP)
- Reverse Book Building (RBBS)
- Offer For Sale (OFS)
- Mutual Funds (Open Ended)
- Securitized Debt Instruments
- Structured Products

OTHER PRODUCTS

GLOBAL INDICES : TRADE RUPEE DENOMINATED FUTURES ON

- Hang Seng
- FTSE/JSE Top 40
- MICEX
- Ibovespa

ETFs

- Over 30 Exchange Traded Funds
- ETFs accepted as collateral towards trading

DEBT MARKET PRODUCTS

- Government Securities
- Corporate Debt
- Structured Products
- Securitized Debt Instruments
- Non Convertible Redeemable Preference Shares

INNOVATION – OUR KEY DIFFERENTIATOR



Easy Market Access

- New Trading Architecture – Eurex T7 Platform
- Direct Market Access (DMA)
- Co-location + HFT
- Smart Order Routing (SOR)
- Low latency Feeds
- Point of Presence (PoP)
- New Membership Drive
- Internet-based exchange hosted trading platform
- Trading via mobile phone

Product Innovation

- Strategic Partnership with S&P Dow Jones for Indices
- S&P BSE 100 Index
- IPO system accessible via APIs
- Liquidity Enhancement Incentives for equity derivatives
- Maker-Taker pricing
- Stock Lending & Borrowing
- Call Auction in pre-open session
- Realized Volatility Index
- IDRs, Rupee-denominated global indices, ETFs
- Listed Mutual Funds – with historical NAV and Exchange SIP
- Insurance Dematerialization & Academic Repository
- Third-party warrants (In-progress)
- Currency Derivatives (In-progress)

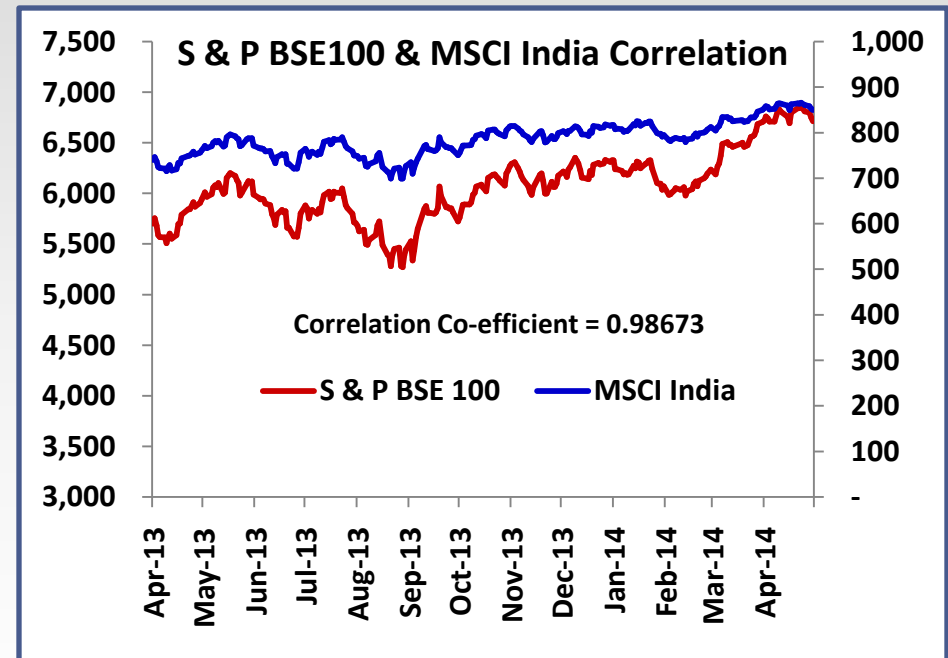
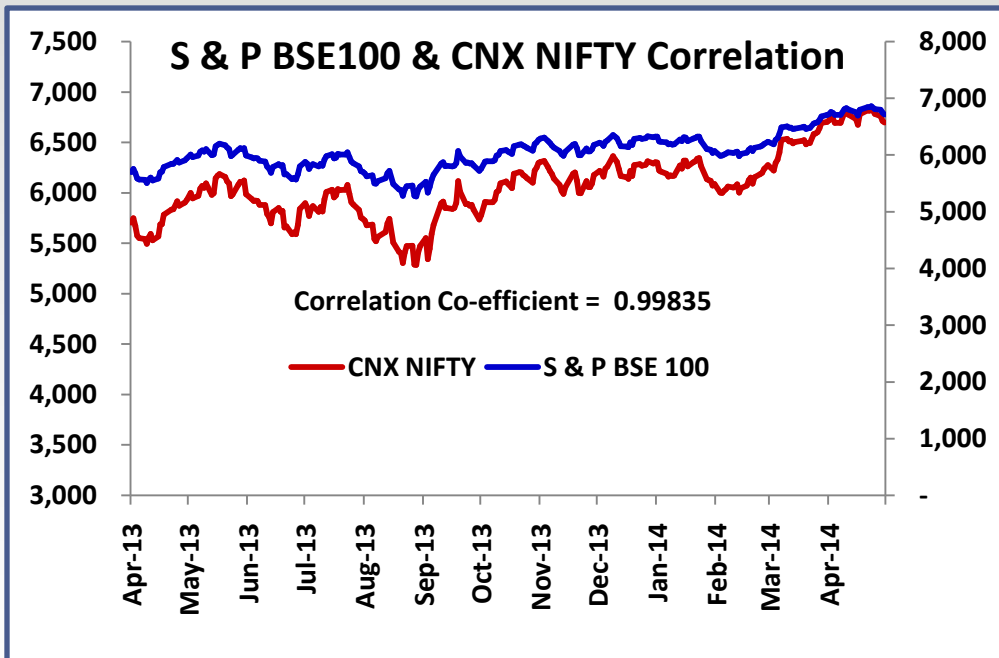
Enhanced Reach

- Revamped website –member & investor friendly features
- First Securities Market Infrastructure member of SWIFT in India
- New indices – S&P BSE 500 SHARIAH, S&P BSE India 10 Year Sovereign Bond Index (Total Return)
- BRICS Alliance – Inter-exchange alliance to develop world's largest emerging markets
- High-quality research and world class analytical tools on MFs
- SME Exchange – Platform for the emerging business community

- **Access Range** : Over **5355 listed companies** - Largest in the world
- **Best Execution** – out of these 5355 listed equities, over 1500 are dual listed with on the other Indian Exchange – **Use SOR to realize a lower impact cost for your clients! *Savings of 6-8bps have been achieved by clients using SOR!!!***
- **Dedicated Block Trade window** in the morning
- **Call-Auction for Illiquid Scrips** : All illiquid stocks are traded by way of hourly call-auctions
- **Pre-open Session**: The opening for the S&P BSE SENSEX basket of stocks. BSE exclusively listed stocks and initial offerings is conducted via a Call Auction.
- **Stock Lending and Borrowing** – With early pay-in and recall facilities
- **Maker-Taker Pricing** : BSE is the only Indian Exchange providing a maker-taker pricing for cash equities :
 - As a liquidity provider (passive orders), you pay 0.225 bps
 - As a liquidity taker (active orders), you pay 0.325 bps
 - This is approx. 25% lower than transaction costs at the other Exchange

INTRODUCTION TO S&P BSE 100

- A broad-based index that represents top 100 companies listed on the BSE ranked by float-adjusted market capitalization, value traded, and impact cost.
- Correlation with NIFTY – 0.99835
- Correlation with MSCI India index – 0.98673
- Correlation with S&P BSE SENSEX – 0.98060
- Futures and Options of S&P BSE 100 have been launched and are actively traded

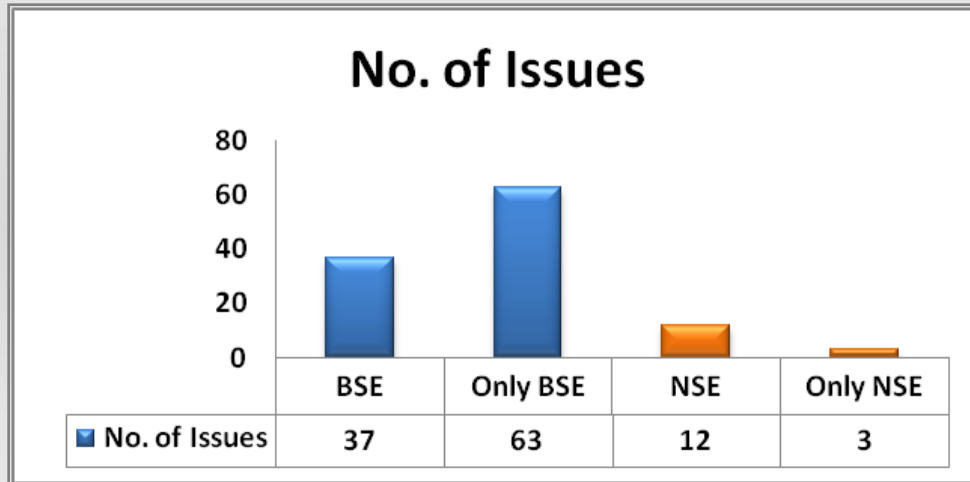


OFFER FOR SALE PLATFORM

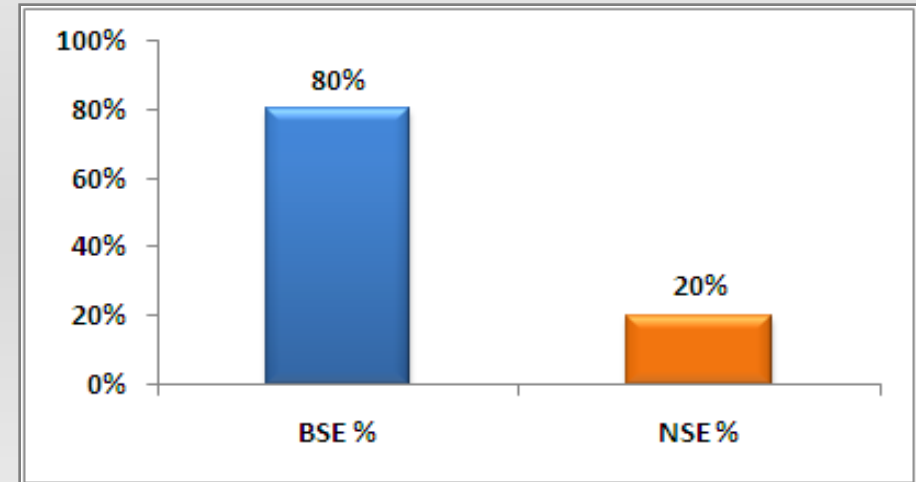
- An Offer For Sale is a new mechanism for increasing the public share holding as mandated under listing agreement.
- BSE launched the Offer For Sale (OFS) module on iBBS (Internet based book building System) platform on 24th February, 2012.
- As on Apr'14 , 115 companies have completed their OFS issues of which BSE was appointed the Designated Stock Exchange in 96 (~87%) OFS issues. Over 500 members have participated in OFS via BSE platform.
- The process has helped the Government to raise over Rs.37,520 Crs (USD 6.00 Billion) through divestment of holdings in PSUs.
- 63 OFS issues have been conducted exclusively only on BSE Platform.

OFS SEGMENT - BSE LEADERSHIP

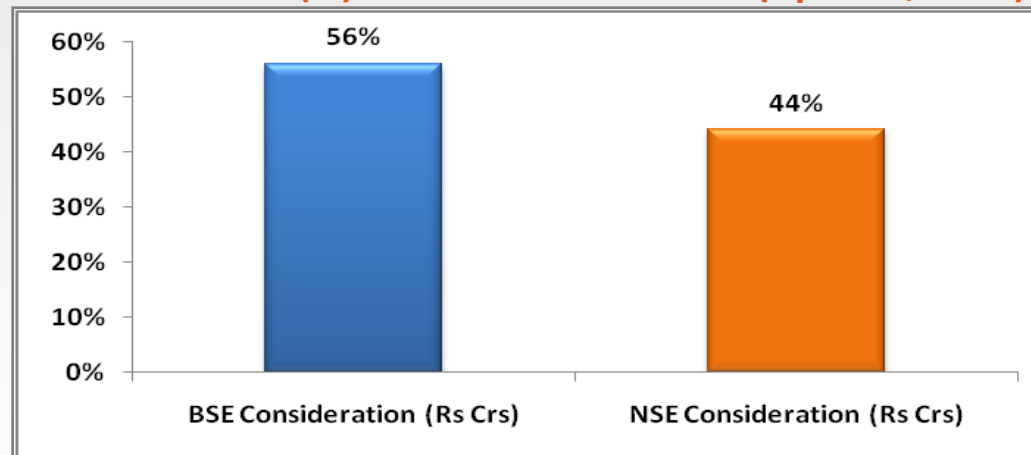
Designated Stock Exchange (DSE) Statistics till date



OFS Average Bid Share (%) – till date

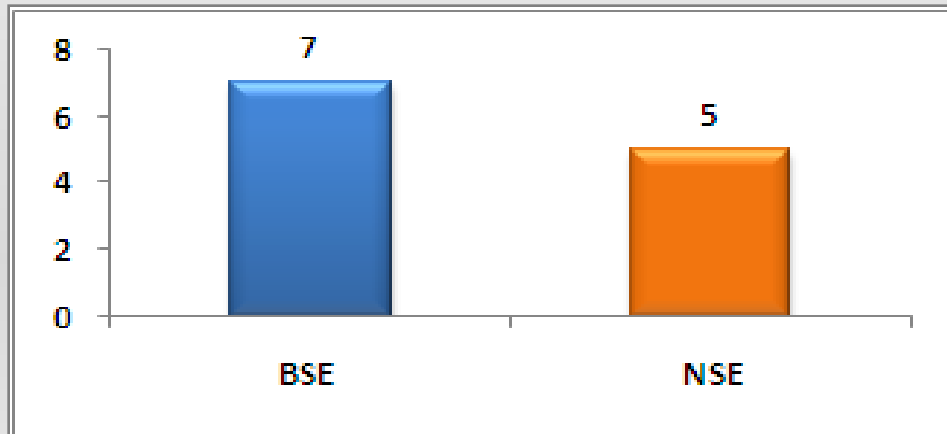


OFS Amt Raised (%) from FY12-13 till date (April 30, 2014)

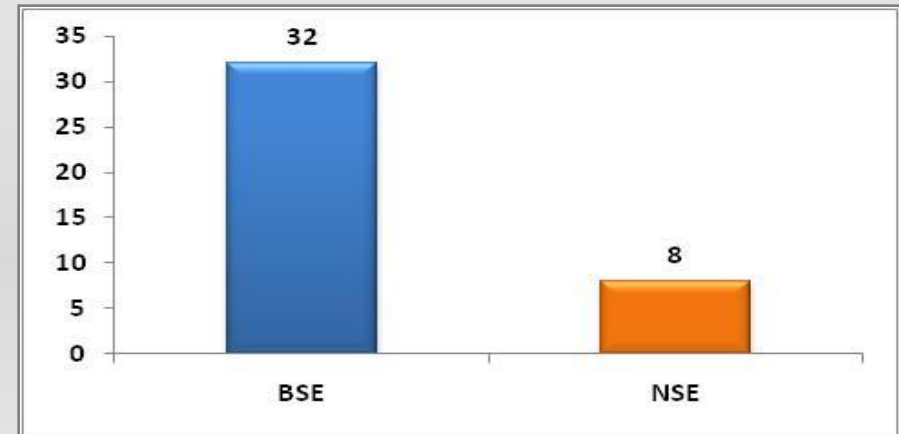


PUBLIC ISSUES (EQUITY & DEBT) - BSE DOMINANCE

IPO Segment DSE Statistics



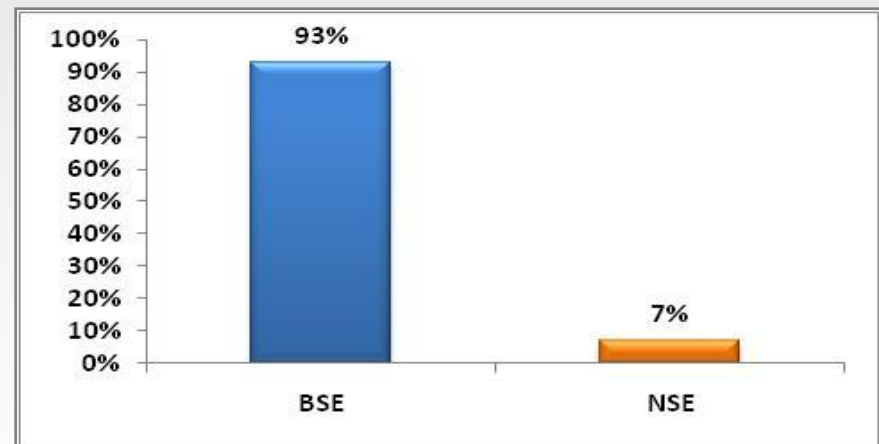
Debt Segment DSE Statistics



IPO Segment Bidding Statistics



Debt Segment Bidding Statistics

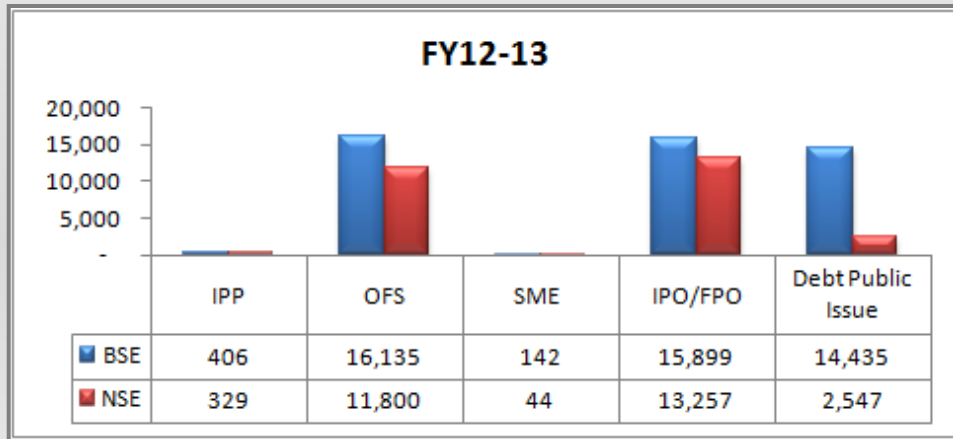


From FY12-13 till April 30, 2014

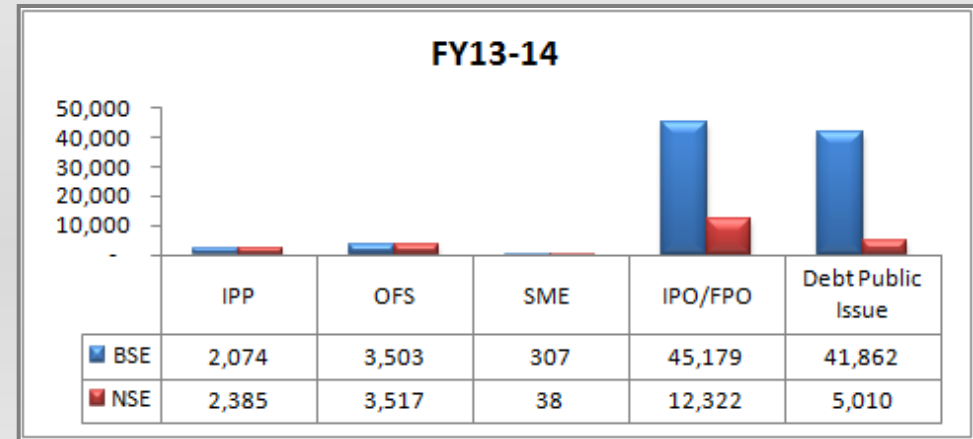
From FY 13-14 till April 30, 2014

LEADERSHIP IN FUND MOBILIZATION - CAPITAL FORMATION

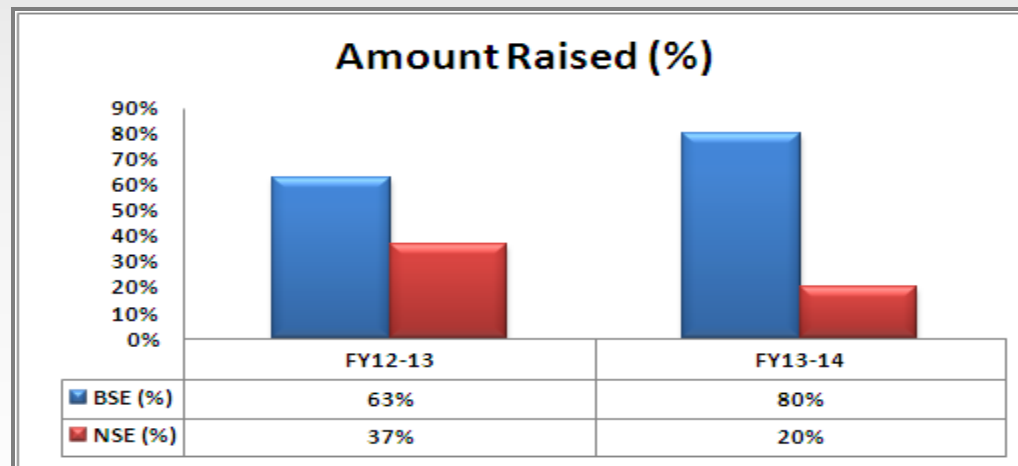
FY12-13 Fund Mobilization (Cr.)



FY13-14 Fund Mobilization (Cr.)



All Segment Fund Mobilization Share (%)



DEBT MARKET

RECENT BUSINESS STATISTICS (SECONDARY MARKET)



Retail trading in Corporate Bonds (F group)	FY2012-2013	FY 2013-14	April 2014
Turnover (Rs.Crores)	3,148	2,103	601
Number of members/participants	1,359	1,337	1335

Wholesale Segment Reporting of Government Bonds	FY2012-2013	FY 2013-14	April 2014
Turnover (Rs.Crores)	1,767	48,953	11,676
Number of members/participants	142	130	132

Wholesale Segment Reporting of Corporate Bonds (ICDM)	FY2012-2013	FY 2013-14	April 2014
Turnover (Rs.Crores)	51,622	1,02,467	14,891
Number of members/participants	917	1010	1017

Settlement of Corporate Bonds and CP / CD (E-Settle)	FY2012-2013	FY 2013-14	April 2014
Settlement of Corporate Bonds (Rs.Crores)	42,977	60,521	2,491
Settlement of CPs / CDs. (Rs.Crores)	1,36,836	2,08,477	21,956
Number of members/participants	917	1010	1017

GROWING PRESENCE IN DEBT SEGMENT



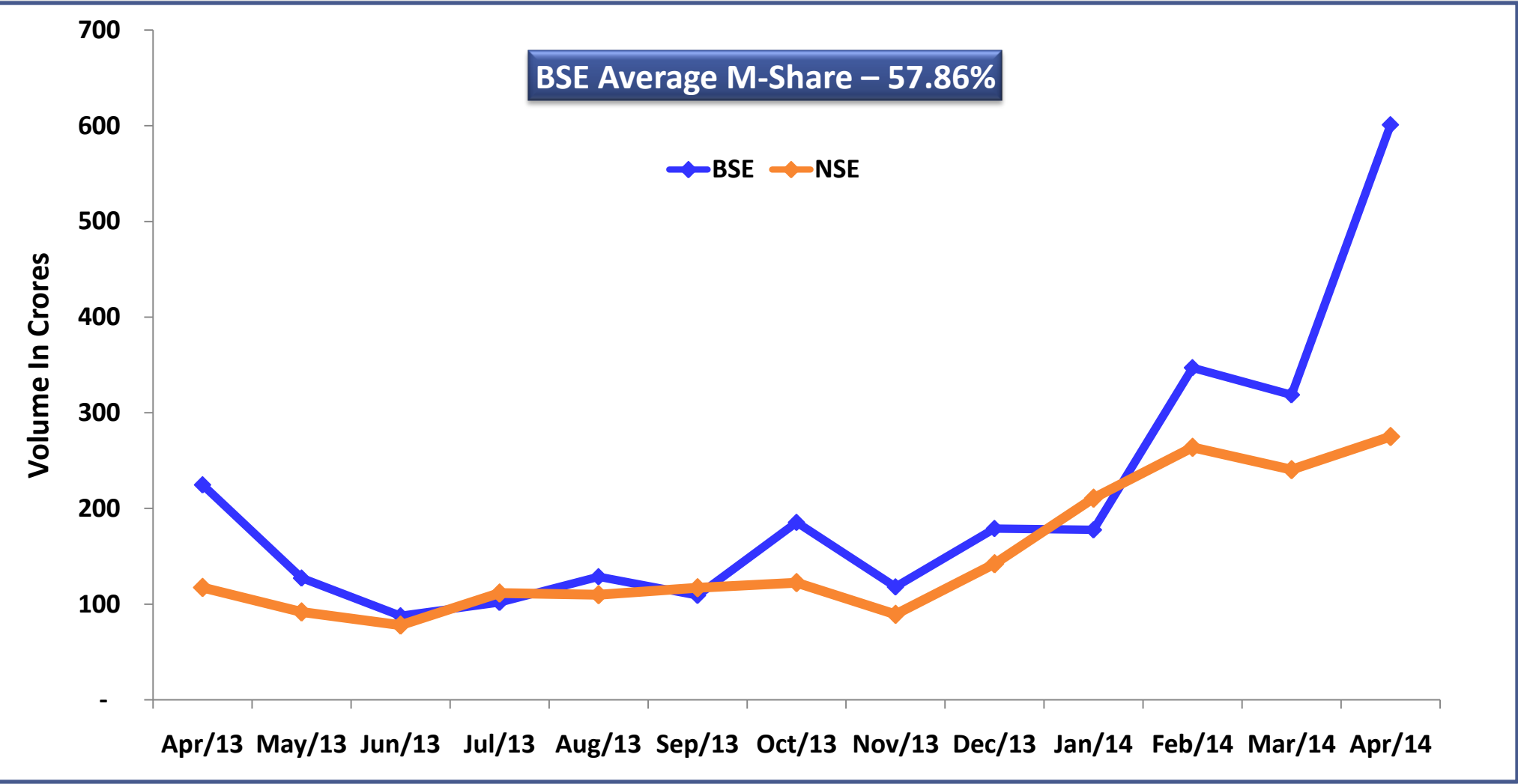
Secondary Market updates

- BSE has retained market share of over 55% in the retail trading of Corporate Bonds in the financial year 2013-14. In the month of April'14 BSE Market share have increase up to 69%.
- Market share in Reporting volumes in Wholesale Debt Market of Government Bonds for the month of April'14 is 29%. In 2013-14 volumes in this segment have exponentially increased to Rs. 48,952 crs vis a vis Rs.1,767 crs in the previous year 2012-13.
- The market share of BSE for corporate bond reporting is continually increasing from 17.57% in 2012-13 to 28% in the financial year 2013-14.
- Settlement volumes of Corporate bonds have considerably increased from Rs. 42,976 crores in 2012 -13 to Rs. 60,521 crores in 2013-14. Average ICCL market share in the current fiscal is 10 % vis a vis 9% in the year 2012 -13
- In 2013-14 , 51 trades were done in Retail Trading of Government Securities and turnover clocked was Rs.88 lakhs vis a vis NIL trades on the other Exchange.

Primary Market updates

- BSE is the preferred choice by issuers for listing Privately Placed Debt Instruments , having listed more number of instruments than the other Exchange in 2013-14
- BSE has been appointed as Designated Stock Exchange for 75% of the Debt Public issues during the Financial year 2013-14 with 55% of the issues listed ONLY on BSE
- Over 89% of the average bids amongst all public debt issues had been garnered through the BSE IBBS Platform in 2013-14. BSE mobilized Rs.41,860 crores.

RETAIL CORPORATE DEBT VOLUMES BSE V/S NSE



INDIA'S LEADING MUTUAL FUND DISTRIBUTION PLATFORM

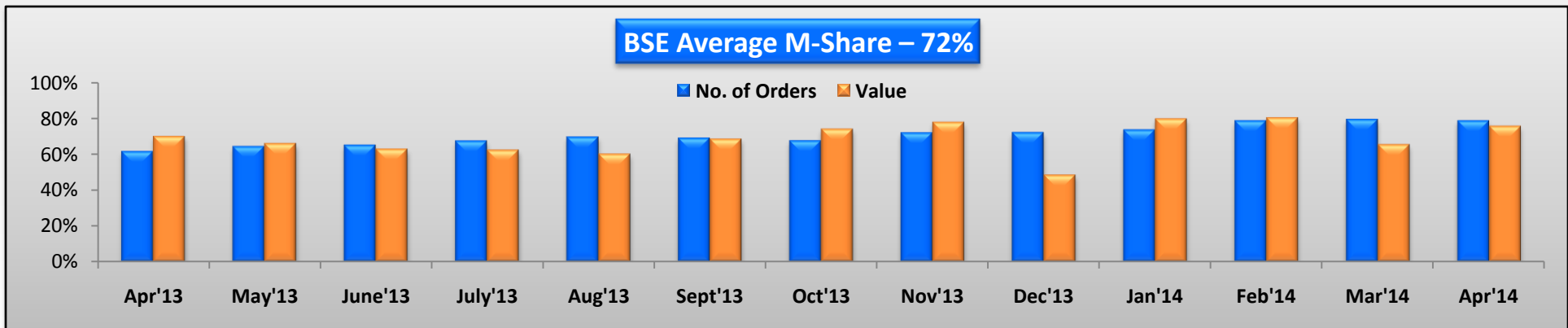
- A web-based transaction processing system
- BSE StAR MF is a web browser based fully automated online MF collection and settlement system. Popular amongst brokers with more than **79%** market share (April 2014)
- Launched BSE StAR MF Platform for Distributors on March 6, 2014.
- AMFI Registered ARN Holders can transact on BSE StAR MF Platform

- System Flexibility
- Feature-rich and highly flexible electronic order platform – easy and simple to use
- In-built risk management :Creation of multiple branches and multiple dealers (IDs)
- Simple UCC process : Every client has to be registered in system before entering orders - thus full transparency regarding source of funds, investor, etc.
- File upload facility for virtually all functions making it highly user friendly
- Detailed MIS reports available to brokers, issue of client confirmations built-in
- Innovative new products like Lo Schemes (Historic NAV) and Exchange SIP (XSIP)

- Order Routing hours
- Existing NAV norms (cut-off at 3pm) to apply , apart from the liquid schemes offered for historical NAV (cut-off at 1.00 pm). Timings are extended for subscription only in case of NFOs at request of AMC.
- We also accept L-1 scheme types (other than liquid schemes) where transactions of minimum Rs 2 lakhs and above would be accepted, wherein broker will fulfill obligations on T day itself for availing same day NAV. Cut off time 1.00 PM
- For Registration Process, refer : <http://ir.bseindia.com/mfdforms/members/LoginMF.aspx?expandable=o>

BENEFITS OF USING StAR MF PLATFORM

- Investor gets to view all his /her investments in one single location (that too electronically) – can use same demat account as that for equity shares.
- Latest NAVs displayed in system for all available scheme options
- Investor gets full service from broker – no need to go to one broker for equity shares and another for Mutual Funds – broker is one stop shop. Also investor need not go to his distributor – just call !
- No cumbersome manual filling of MF application forms
- Under XSIP, Multiple SIPs can be registered under single Mandate for any AMC
- MFIs will have flexibility of charging brokerage to client on SIP at the time of registration
- Investor can also pledge MF units held by him as collateral (margin) with his broker as brokers are allowed to do so with exchange in turn
- Separate Know Your Client not needed if transacting in Demat mode
- System accessible via APIs
- Pay-in timings tweaked to synergies with timing for liquid fund investment – brokers can make invest surplus funds in liquid fund units giving maximum utilization of funds which would otherwise lie idle. These same liquid fund units can be deposited as collateral for trading segments, as cash equivalent.



EQUITY DERIVATIVES: HIGHLIGHTS

- Underlying Assets: Index Derivatives on :
 - Investable and Broad Indices – S&P BSE SENSEX and S&P BSE 100
 - Sector Indices – S&P BSE TECK , S&P BSE BANKEX , S&P BSE OIL AND GAS.
- Maturities available:
 - Index & Stock Futures: Near, Mid, Far Month
 - Index Options: Weekly, Monthly & Long Dated – Only Exchange in India offering weekly expiring Options
 - 5 Weekly, 3 Monthly and 12 Long Dated (4 quarterly and 8 semiannual)
 - Stock Options: Weekly and Monthly
 - 5 Weekly / 3 Monthly
- Ongoing Liquidity Enhancement Programme to create lasting liquidity in BSE derivatives. Market-Makers incentivized to maintain tight spreads and deep quotes
- Lower transaction costs for all participants:
 - As Liquidity provider, you pay Zero
 - As Liquidity taker, you pay 0.05 bps of Futures contract value and 0.05 bps of Options Premium value
 - For Options, this is almost 200 times lower transaction fees compared to the other exchange

NEW TRADING ARCHITECTURE – EUREX T7



- We have partnered with the Eurex Group through a long-term technology alliance under which BSE has joined the Eurex technology roadmap and deployed the T7 system.
- New Technology to allow BSE achieve highest global standards for speed, reliability and order-handling capacity. BSE matching Engine to be one of the fastest platforms globally in terms of throughput, latency and turnaround time, BSE to get best in class order types and risk management features which is already in place at the Eurex platform.
- By aligning BSE, Eurex Exchange and ISE markets on a common trading infrastructure, IT costs for shared customers will reduce significantly. This will also reduce technology development and installation efforts for Eurex and ISE members who wish to connect to BSE and vice versa as well as strengthen the case for cross-listing.

NEW TRADING ARCHITECTURE – BOLT PLUS

- **Bolt Plus Live**
 - Products available for trading
 - Currency Derivatives - 29 Nov 2013
 - Interest Rates Futures - 28 Jan 2014
 - Equity Derivatives - 7 Feb 2014
 - Equity - 7 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 : < 200 μ s (Gateway in to Gateway out)
 - Network Latency for Colo Users: 70 μ s
 - Throughput : 5 lacs order per second
 - Scalability: Horizontally scalable by adding partitions

EQUITY DERIVATIVES – SPECIFICATIONS

Products	Tick Size (INR)	Settlement Mechanism	Lot size	Contract Value as on 1 st Jan 2014		Expiry
				INR	USD	
S&P BSE SENSEX Futures	0.25	Cash	15	3,17,107	5,285*	Last Thursday
S&P BSE-100 Futures	0.05	Cash	50	3,16,411	5,274*	Last Thursday
S&P BSE SENSEX Options	0.05	Cash	15	3,17,107	5,285*	Last Thursday - European
S&P BSE BSE-100 Options	0.05	Cash	50	3,16,411	5,274*	Last Thursday – European
Stock Futures	0.05	Cash	Based on underlying	NA	NA	Last Thursday
Stock Options	0.05	Cash	Based on underlying	NA	NA	Last Thursday - European

* Notional Value for ATM strike (USD rate of 60)

BPS SAVING ON TRADING OPTIONS AT BSE

Options	Trade at BSE	Trade at Competing Exchange A	Trade at Competing Exchange B
	bps	bps	bps
Sell Options			
Securities Transaction Tax	-1.70	-1.70	-1.70
SEBI Fees	-0.01	-0.01	-0.01
Exchange Fee	-0.05 *	-5.00	-2.50
Buy Options to Square off			
Securities Transaction Tax	0.00	0.00	0.00
SEBI Fees	-0.01	-0.01	-0.01
Exchange Fee	0 *	-5.00	-2.50
Net outflow	-1.77	-11.72	-6.72

Save 10 bps!

* Assuming one active and one passive trade

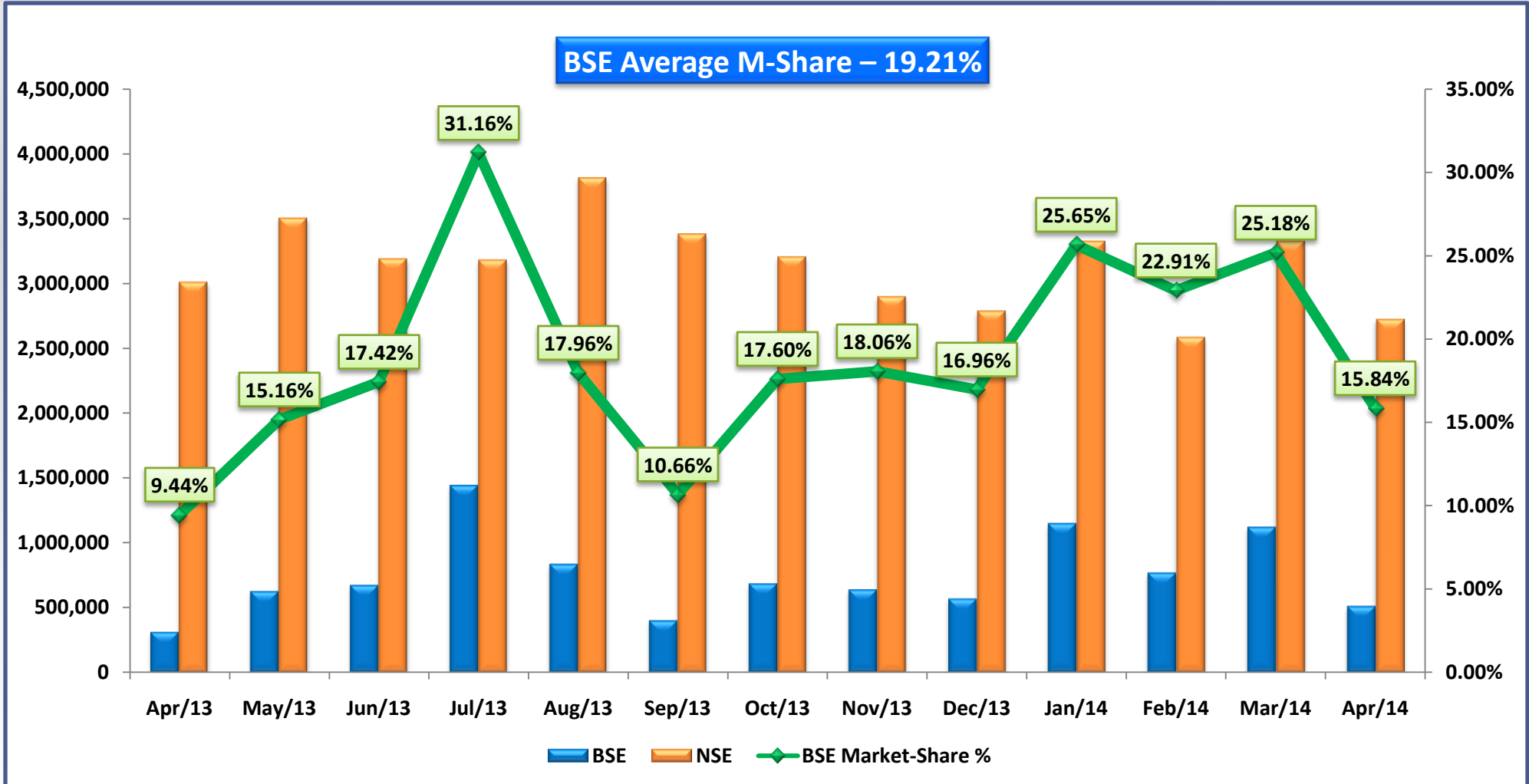
BPS SAVING ON TRADING FUTURES AT BSE

Futures	Trade at BSE	Trade at Competing Exchange A	Trade at Competing Exchange B
	bps	bps	bps
Sell Futures			
STT	-1.0	-1.0	-1.0
SEBI Fees	-0.01	-0.01	-0.01
Exchange Fee	-0 .05 *	-0.19	-0.12
Buy Futures to Square off			
STT	0	0	0
SEBI Fees	-0.01	-0.01	-0.01
Exchange Fee	0 *	-0.19	-0.12
Net outflow	-1.07	-1.4	-1.26

**Save 20% of
your cost!**

* Assuming one active and one passive trade

MARKET-SHARE COMPARISON (EQUITY DERIVATIVES)



SNAPSHOT

DERIVATIVES SEGMENT PERFORMANCE- 2014

Registered for LEIPS - broker-members (till date)

- 522

Members who have traded (till date)

- 454

Average Daily Turnover for YTD 2014

- Futures : USD 77 Million
- Options : USD 5965 Million

Average num of contracts traded daily YTD 2014

- Futures : 16,088
- Options : 11,86,870

Average num of contracts Open Daily YTD 2014

- Futures : 21,522
- Options : 30,275

BSE DERIVATIVES INCENTIVE PROGRAMME

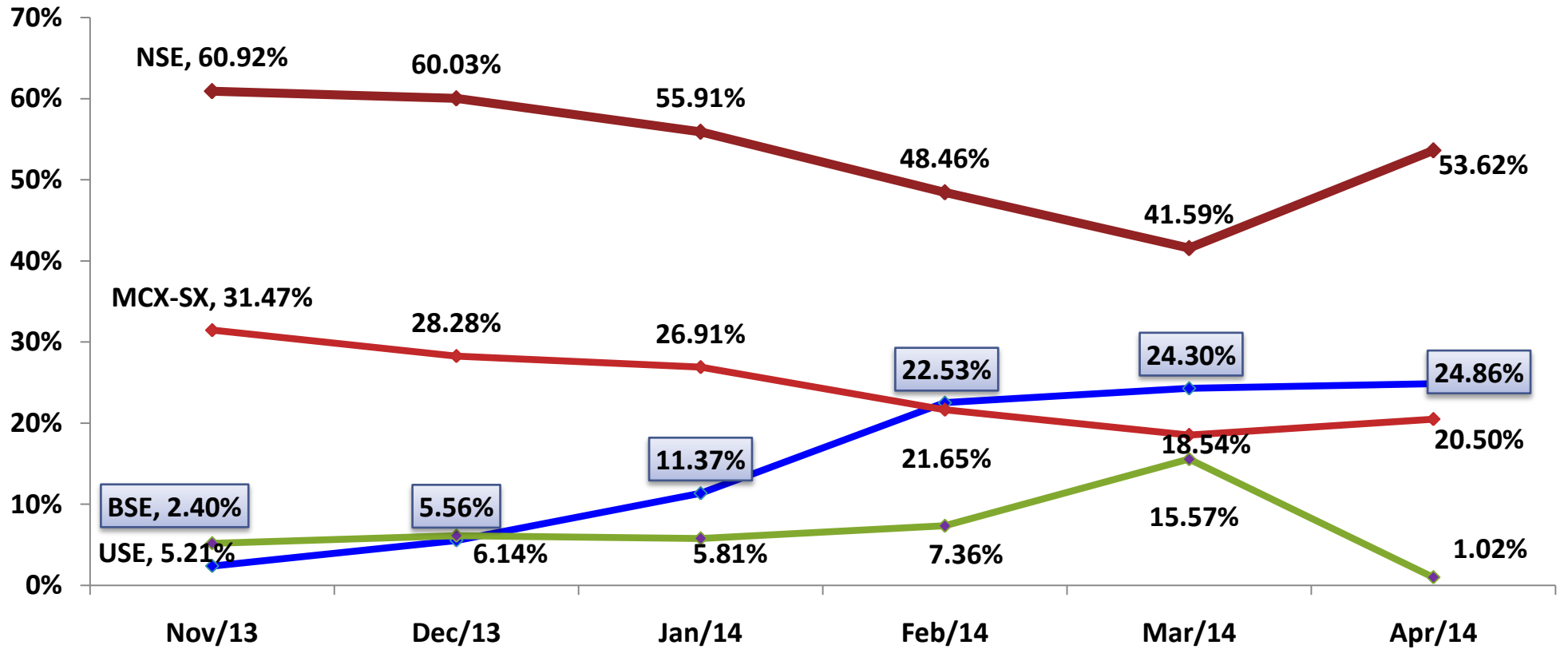
- BSE LEIPS was initiated in September 2011, in order to create lasting liquidity in BSE's equity derivatives segment
- Current focus of the on-going phase is to bring liquidity in index products such as S&P BSE SENSEX and S&P BSE 100
- The programme invites participants to empanel either as a Market-Maker (MM) or a General Market Participant (GMP)
 - MMs have obligations to quote and maintain spreads, whereas GMPs have no obligations
 - MMs avail a higher incentive, on achieving obligations. GMPs receive trading incentives
- For all participants, the transaction charge has been made zero for passive orders and 0.05bps for active orders
- Incentives are paid on a daily basis. Annual budget of USD 20 million + for incentives
- Co-location racks, servers and algorithmic software provided free of cost (refer last slide details)
- Additional Incentive provided for Retail Client Trades

EQUITY DERIVATIVES

- Effective from 10th Feb 2014, BSE introduced Maker Taker pricing for Non- LEIPS Products.
- Transaction charges on Index and Stock options which are part of Non- LEIPS contracts will be as follows:
 - **Passive order** (price maker) to receive Rs.2,400 per crore of premium value
 - **Active order** (price taker) to pay Rs.2,500 per crore of Premium Value (inclusive of IPF and TGF charges)
- **Passive Orders:** *Passive orders are defined as the orders that already exist in the order book at the time of matching (trade taking place).*
- **Active Orders:** *Active orders are defined as those orders that match with passive orders that already exist in the order book at the time of matching (trade taking place).*

MARKET-SHARE COMPARISON (CURRENCY DERIVATIVES)

Currency M-Share % Trend



SNAPSHOT

CURRENCY DERIVATIVES SEGMENT PERFORMANCE- 2014



Members who have traded (till date)

- 127

Average Daily Turnover for YTD 2014

- Futures : 2,615 Crores
- Options : 401 Crores

Average num of contracts traded daily YTD 2014

- Futures : 4,19,840
- Options : 63,583

Average num of contracts Open Daily YTD 2014

- Futures : 30,989
- Options : 1,221

SNAPSHOT

INTEREST RATE DERIVATIVES SEGMENT PERFORMANCE- 2014



Total Turnover

• 2580 crore

Average num of contracts Open Daily YTD 2014

• 6602

- Launched Interest Rate Futures (IRF) on 10 Year GOI Bonds on Jan 28,2014
- Underlying Assets: Interest Rate Derivatives offers trading in following two products:
 - 91-Day T-Bill Futures
 - 10-year G-sec Futures

Business Benefits to Members

- Membership at no cost and no deposit, At present 120 + registered members
- Low transaction charges : No Transaction charges for one year (wef January 28,2014)
- Clearing & Settlement by ICCL and Uniform Risk Management & Margin framework

SUBSIDIZED MARKET ACCESS

SOFTWARE AND HARDWARE



The following are offered free of cost against volume commitments in derivatives segment :

Co-location

- For all Market Makers and GMPs, The BSE Co-location Data Centre (managed by NTT-Netmagic) **is offering free racks and servers**
- Trade across exchanges and access to direct feed from Indian cash equities market, over 300 trading venues worldwide, global over-the-counter and news content

Automated Market Making Software

- Automated Trading software (GATS & U-Trade)© for quoting and market making in Futures and Options including auto hedging capabilities across exchanges and segments

Trading Terminals

- ODIN CTCL ids and ODIN Diet ids for BSE F&O trading by your dealers and clients.

Technology Program

- As per the Circular dated 01st Jan 2014 notice no – 3, Revised Technology Program applicable to Equity Derivatives and Currency & Interest Rate Derivatives Segment.
- This programme has no Volume commitment and different strategies across Inter Exchanges, Inter segments, auto hedging capabilities across exchanges and segments.
- For more details Kindly contact to **Mr. Vivek Garg, Email: vivek.garg@bseindia.com, Mobile no: 75063 69722**

TICKERS & SYMBOLS

Bloomberg Ticker	Category	Type
SENSEX Index CT	S&P BSE SENSEX Index futures	Futures contract
BSE100 Index CT	S&P BSE 100 index futures	Futures contract
SENSEX Index OMON	S&P BSE SENSEX Index options	Options contract
BSE100 Index OMON	S&P BSE 100 Index Options	Options contract

Thompson Reuters Symbols	Category	Type
O#BIF	S&P BSE SENSEX Equity Index	Futures contract
O#BHI	S&P BSE 100 Index futures	Futures contract
O#BIF*.BO	S&P BSE SENSEX Equity Index	Options contract
O#BHI*.BO	S&P BSE 100 Index Options	Options contract
O#BIR	S&P BSE Currency USD/INR	Futures contract
O#BEU	S&P BSE Currency EUR/INR	Futures contract
O#BGB	S&P BSE Currency GBP/INR	Futures contract
O#BJP	S&P BSE Currency JPY/INR	Futures contract
O#BSE91	S&P BSE Treasury Bill	Futures contract
O#B883	S&P BSE 10 Yr G-Sec	Futures contract
O#B716	S&P BSE 10 Yr G-Sec	Futures contract



www.bseindia.com



bdm@bseindia.com



m.bseindia.com

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