



Bombay Stock Exchange Ltd

An Alpha Ideas Presentation

May 19,2014

The Pedigree

- Established in 1875
- India's Oldest Stock Exchange
- Asia's Oldest Stock Exchange
- 11th Largest Stock Exchange in the world in terms of market capitalization
- Its "Sensex" is India's mostly widely tracked index

Board of Directors

- Mr. Ramodarai-Vice-Chairman-TCS
- Ashish Chauhan-MD & CEO
- Keki Mistry-CEO, HDFC
- S H Kapadia-Former CJI
- Andreas Preuss-Deutsche Borse

Consolidated Financials

Particulars	Year Ended March 31,2014 (In Lakhs)	Year Ended March 31,2013 (In Lakhs)
Operating Income	22,287	24,079
Deposits Income	26,219	26,956
Expenditure	27,461	27,024
Other Income	4,465	4,245
Interest	38	245
Net Profit	13,519	10,857
EPS	12.75	10.25

Balance Sheet Highlights

- Company has around 2360 Crores of Reserves
- It owns the famed BSE Building whose value is another 700-800 Crores
- Its owns around 54% stake in India's second largest depository-CDSL

Initiatives

- Trying hard to revive its Derivative Trading Platform where NSE has a monopoly
- Launch of Currency Derivatives
- Launch of Interest Rate Futures
- Launch of Institutional Trading Platform on BSE SME
- Effort to widen distribution reach

IPO

- IPO planned in 2014
- Expected to be a huge success owing to:
 - Iconic Status
 - Strong Brand
 - Strong Balance Sheet
 - Unique and “One of a Kind” business
 - Clean & Dynamic Management

What price will it list at?

- Earlier institutional placements have been in the region of around Rs.385- Rs.520 per Share
- Management has indicated a market cap of 4000-5000 Crores
- That translates to a price of around Rs.400 per share.

Summary

- A great opportunity to invest in a pre-IPO situation
- Expect handsome gains on listing
- The stock is a value play as its cash deposits is greater than its current valuations