

**August 13, 2025**

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

**Symbol: BSE**

**ISIN: INE118H01025**

**Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Sub: Transcript of the Conference Call held on August 7, 2025**

Dear Madam/ Sir,

With reference to our letter dated July 30, 2025, intimating you about the conference call with Analysts/Investors held on August 7, 2025, please find attached the transcript of the aforesaid conference call.

This intimation will also be available on the website of the Company: [www.bseindia.com](http://www.bseindia.com)

This is for your information & record.

Thanking you,

Yours faithfully,

**For BSE Limited**

**Vishal Bhat**  
**Company Secretary & Compliance Officer**  
**ACS- 41136**

Encl: a/a



BSE LIMITED  
Q1 FY26 Earnings Conference Call



*August 7, 2025*  
*BSE LIMITED*  
*25th Floor, P.J. Tower, Dalal Street, Fort, Mumbai 400 001*

**Moderator:**

Ladies and gentlemen, good day and welcome to the BSE Limited Q1 FY'26 earnings call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*” then ‘0’ on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anand Sethuraman – Head (Investor Relations). Thank you and over to you, sir.

**Anand Sethuraman:**

Thank you so much, Manav. Good evening, everyone and warm welcome to you all. Thank you for participating in Q1 FY'26 Earnings Call for BSE. My name is Anand Sethuraman, and I will be the host for the call. Today, we are joined by the BSE's leadership team consisting of Mr. Sundararaman Ramamurthy – Managing Director and CEO; Mr. Deepak Goel – Chief Financial Officer; Smt. Kamala K – Chief Regulatory Officer; Mr. Sunil Ramrakhiani – Chief Business Officer; Mr. Subhash Kelkar – Chief Information Officer; Smt. Radha Kirthivasan – Head of Listing and SME; Mr. Vivek Garg – Head of Trading Development. We also have Key Management of BSE subsidiaries, Smt. Vaishali Babu – MD and CEO, ICCL and Mr. Ashutosh Singh – MD and CEO of BSE Index Services. Also present here are members of our Business, Finance and Investor Relations team.

The Results for quarter ended 30th June 2025 have been announced and the data pack consisting of ‘Financials and Investor Presentation’ is available on the BSE Website. We will begin today's call with remarks from BSE MD and CEO on the Company's ‘Business’ and financial performance. All participant lines will be muted for the duration of the call. There will be an opportunity for you to ask questions after the management remarks. Please note that some of the statements made in today's call may be forward-looking in nature and are subject to risks and uncertainties. The Company does not undertake to update these forward-looking statements publicly. With that, I would now invite the BSE, MD and CEO to share his views. Thank you and over to you, sir.

**S. Ramamurthy:**

Thank you, Anand. Good evening, everybody and a warm welcome to all our esteemed stakeholders for joining the call today to discuss Q1 FY2026 Earnings.

The Indian economy demonstrated resilience in an otherwise volatile quarter marked by trade tariff stresses and conflicts in West Asia. Strong balance sheet, political and policy stability, demographic and digitalization opportunities continue to drive India's growth story. Key high-frequency indicators in the services and manufacturing sectors continue to signal a broad-based growth. The easing on inflation, a favourable monsoon and RBI's unchanged policy repo rate of 5.5% after three consecutive rate cuts to the tune of 100 basis points during the previous three months could further aid the growth momentum in the economy.

Despite a significant sell-off by foreign investors of around Rs. 47,667 crores in July, domestic institutional investors demonstrated remarkable confidence injecting around Rs. 61,000 crores cushioning the market. In fact, DII's have been net buyers in every month in 2025 so far infusing more than Rs. 4 lakh crores in 2025. Systemic investment plan or SIP investments via mutual funds stood at a record Rs. 1.4 lakh crores for the quarter demonstrating confidence of investors in the broader Indian economy and capital markets. Against this backdrop, BSE demonstrated focus and resilience to report its best quarterly financial performance ever with a topline of Rs. 1,045 crores for the first time ever. Our clear strategy, commitment to offering our stakeholders in India and around the world, the choice and opportunity to invest and our resolute focus on our unique service offerings is continuing to produce results.

Let me now highlight a few of the many milestones in Q1 FY2026:

We crossed the landmark of 600 SME listings on our SME platform with July 2025 marking a record-breaking month with 18 new listings raising a total of Rs. 880 crores. This reflects BSE's pivotal role in empowering India's entrepreneurial ecosystem, capital formation and supporting Hon. PM's vision of Viksit Bharat by 2047. Moreover, this platform, which started in 2012 March has facilitated Indian entrepreneurs to raise Rs. 10,652 crores. The last 100 SMEs to list on the exchange have raised an amount of Rs. 4,071 crores contributing to 38% of the total amount raised on this platform so far. This growth depicts the increasing confidence of the investors on the SMEs raising capital on this platform.

Furthermore, we have rebranded our wholly owned subsidiary, Asia Index Private Limited to BSE Index Services Private Limited. This reflects the deep trust, faith and respect the BSE brand inspires globally reinforcing our commitment to driving India's capital markets forward with clarity and ambition.

Empowering investors through education and awareness is of paramount importance to BSE. In the Q1FY26, BSE IPF undertook around 1,026 investor awareness programs to promote financial literacy and bring about awareness in securities market for their financial well-being and protect the interests of investors. BSE India has joined hands with market regulator SEBI in its campaign against financial fraud to protect investors. Through SEBI vs SCAM, we aim to empower every investor with the right knowledge and tools to make informed decisions, avoid digital traps and invest securely.

BSE also introduced Nivesh Mitra mobile app, a purely educational offering with no investment advice or promotional content. The app allows users to learn how to open a trading or DMAT account, assess their personal risk profile and simulate investments using historical market data.

Despite economic fragility impacting equity cash volumes this quarter, our derivatives market has gone from strength to strength. As mentioned earlier, BSE marked its strongest performance in its 150-year history in Q1FY26 with a historic milestone of over Rs. 1,045 crores in revenue for the quarter on a consolidated basis, an increase of 59% against the previous year. The growth in revenues is led by strong performance in transaction-related income, other operating income, and investment-related income.

I will now share some of the key 'financial numbers' on a consolidated basis for the quarter-ended June 30, 2025, as compared to the corresponding quarter previous year.

BSE's operational revenues on a year-on-year basis have grown by 59% to Rs. 958 crores from Rs. 602 crores. Transaction charges, which include equity cash, equity derivatives, mutual fund and clearing house income has increased by 84% to Rs. 737 crores from Rs. 400 crores. Treasury income from clearing and settlement has decreased by 27% to Rs. 45 crores from Rs. 62 crores. Other operating income, which includes enhanced data dissemination fees, index services, software charges, etc. has increased by 57% to Rs. 70 crores from Rs. 45 crores. Income from investments increased by 28% to Rs. 79 crores from Rs. 61 crores. Operating expenses increased by 5% to Rs. 359 crores from Rs. 343 crores. Further, 48% of the total operating expenses are attributable to regulatory fees and clearing and settlement expenses, all of which is directly correlated to increasing derivatives volumes.

The operating EBITDA has increased to Rs. 626 crores as compared to Rs. 282 crores with margins expanding to 65% from 47%. BSE's core SGF stood at Rs. 1,144 crores as of July '25 end. During the quarter, there was no additional contribution to core SGF. The net profit attributable to shareholders of

the Company stands at Rs. 539 crores, up from Rs. 265 crores, a growth of 104% for Q1 FY'26 against the corresponding quarter previous year.

I would now like to share updates pertaining to business. For specific numbers pertaining to turnover, kindly refer to the BSE website and the Investor Presentation:

As mentioned earlier, despite the challenging global economic and geopolitical backdrop, BSE remained one of the world's premier capital-raising venues with positive sentiments returning to the IPO market, augmenting capital formation and reflecting strong market fundamentals. This has proved a robust foundation for market stability and growth, contributing to the diversification of the investor base and enhancing market liquidity. BSE platforms continue to remain the preferred choice by Indian companies to raise capital by enabling issuers to raise Rs. 7.59 lakh crores by means of equity, debt, bonds, commercial papers, mutual funds, etc. In Q1 FY26, BSE welcomed 21 new equity listings across main and SME boards, raising Rs. 14,237 crores. The IPO market continues to be exceptionally vibrant in July 2025, with 13 companies raising Rs. 24,559 crores and is expected to remain robust on account of economic growth and investor confidence. In August 2025, BSE saw listing of NSDL on BSE, marking yet another significant milestone in India's capital markets. On the listing compliance front, we continue in our efforts to promote high standards of governance and disclosure practices among listed issuers and ensure the competitiveness of our listing framework.

Moving to our Trading segment:

As I mentioned earlier, revenue growth in Q1 FY'26 was led by strong volumes in our Sensex derivatives product as we expanded our client base and drove higher non-expiry day activities. Our equities and mutual fund business lines are on a healthy growth momentum.

Cash market trading volumes remained at long-term normalized levels of Rs. 7,180 crores in Q1 FY2026 against Rs. 9,005 crores the same period last year. Importantly, we are pleased to share that Common Contract Note has been successfully implemented in India with effect from 27 June 2025, a long-standing request of BSE. This brings about the adoption of a major market reform which was long sought by the institutional investor for hassle-free trading experience across trading venues. BSE has been reaching out to all stakeholders about this change to use smart order routing (SOR) to trade multiple venues thereby further reducing the impact costs and improving yields on their order execution.

The BSE index derivatives segment sustained its growth trajectory in the quarter with the highest ever average daily premium turnover of Rs. 15,084 crores. In the coming year, we will continue to move ahead with our efforts to increase market participation, product development and adoption of longer-dated contracts as well as investment in data centres and enhanced connectivity options.

In October 2024, BSE introduced throttle charges for the first time applicable only to those members who exceed 10,000 messages per second. Effective June 30, 2025, member-level throttle limits were revised. Members are allowed 40 MPS free from earlier 10,000 MPS. Charges start at Rs. 50,000 annually for 100 MPS and increases proportionally depending on subscription. Detailed information is available in the Circular on BSE website. Notably, BSE charges remain lower than competition, reinforcing our commitment to cost-effective and efficient market access. As I have been saying in my previous earnings call updates, this is one of our important strategic initiatives aimed to enhancing BSE services and diversify revenue lines.

Moving on to our Mutual Fund Distribution business:

BSE StAR MF delivered yet another quarter of record revenues and performance, up 30% year-on-year to reach Rs. 61.2 crores. The total number of transactions processed by BSE StAR MF grew by 30% to reach Rs. 18.3 crores transactions in Q1 FY'26 from Rs. 14.1 crores in the previous year. On an average, the platform processed 6.1 crore transactions per month in the current financial year as compared to Rs. 4.7 crores last year. The platform also processes a new high of 6.65 crore transactions in July 2025. BSE also remains committed to strengthening the SME and Social Stock Exchange platform by fostering an enabling ecosystem for entrepreneurship and social impact fundraising.

Moving on to our subsidiary businesses now:

BSE Index Services Private Limited has a product portfolio of 170 plus indices across broad thematic factors and strategic equity indices catering to 300 plus marquee clients domestically as well as globally. In the current financial year, the Company has launched seven new indices, including four factor indices. This is in addition to the 20 launched in the last financial year.

The BSE Group directly or via subsidiaries also has its presence in other related businesses including Indian Clearing Corporation Limited (ICCL), India INX, Hindustan Power Exchange, BSE E-Agricultural Markets, a spot platform for trading and commodities. BSE is committed to these new areas and is constantly working with partners for the growth of these businesses.

In summary, the year has got off to a very good start. At BSE, our strategic focus will continue to be on customer-centric approach and maintaining highest standards of governance with a focus on simplicity and operational resilience. While the macro landscape continues to shape market sentiment, we are pleased to see encouraging signs of a revival in our IPO market matched by a very healthy pipeline. We are also excited about the increasingly broad portfolio of markets, products and opportunities that we now offer our clients and the positive progress we are making to deliver on our strategy.

While the road ahead will not be without challenges, we remain fully committed to prudently investing in our people, our technology and data centre operations etc., reinforcing our relevance and role at the heart of one of the world's fastest-growing economies.

With these updates, I now hand over the call back to Anand.

**Anand Sethuraman:**

Thank you so much, sir for these updates. We will now open the floor for Q&A.

**Moderator:**

Thank you very much. We will now begin the question and answer session. We have our first question from the line of Prayesh Jain from Motilal Oswal Financial Services. Please go ahead.

**Prayesh Jain:**

Hi, congratulations on a good set of numbers. Just one question, the clearing house expenses in this quarter seems to have declined, while if I look at the number of contracts that would have traded on the derivative side have not fallen as much. So, how should we read this and how should we kind of model this cost going ahead?

**S. Ramamurthy:**

Sorry, I am not sure whether I understood the question properly. Are you saying that...

**Prayesh Jain:**



Let me repeat my question. So what I am saying is clearing and settlement costs, clearing house expenses have declined sequentially in this quarter? And when we look at the number of contracts traded, that has not declined as much. So, how should we think about with respect to the clearing house expenses?

**S. Ramamurthy:**

Got it. The answer is, first of all, thanks for attending the call and asking this question. If you recall, the transaction charges that we get is based on the premium. The clearing and settlement charges that we pay is based on the number of contracts traded. Multiple changes have happened in the recent past. The contract size has gone up. When the contract size goes up, the value traded goes up. And in times of volatility, which we saw in the last quarter, as you would appreciate, because of multiple reasons, including global issues with regard to people fighting with each other, countries fighting, trade tariffs etc. So, because of the volatility, the premium traded when it goes up, that is one thing, where the revenue goes up. When the contracts continue to grow, but the contracts are of larger size, so larger volume processed with lesser cost and larger revenue because of increased premium, this results in clearing and settlement cost as a percentage of revenue coming down.

**Prayesh Jain:**

Sir, my question was more on the absolute decline, because what we have seen is, in the fourth quarter of FY'25, we had about Rs. 84 crores of this cost. And this quarter, it is about Rs. 56 crores. And if I look at the number of contracts traded in both the quarters, it is not as much different as we have seen in the cost. So, that is the question actually.

**S. Ramamurthy:**

No, absolutely right. Sorry for interrupting you. You are absolutely right. That is because more volumes have shifted from expiry day to non-expiry days. So, when that happens, the quality of premium increases and improves. And due to volatility, the premium also goes up. Both of these two result in a better realization, whereas the number of contracts traded remaining the same, the cost comes down.

**Prayesh Jain:**

Okay, I will probably take this offline with Anand. Thank you so much sir.

**Moderator:**

Thank you. We have next question from the line of Devesh Agarwal from IIFL Capital. Please go ahead.

**Devesh Agarwal:**

Yes, good evening, sir. And thank you for the opportunity. And firstly, many congratulations to the entire team on a very great set of numbers. So, my question would be, basically, if you could help us understand the regulatory thought process around further regulations, especially in the lights of sustained retail participation and losses. So, how does a regulator is looking at the entire thing? And we keep hearing this different measure in terms of inclusion taken away, although the regulator clarified. But there are other measures also in terms of increasing the contract size or increasing the STT. So, what as an exchange are you advising the regulators whether in terms of to let the current set of regulations play out and then implement more regulations? So, how are you approaching the entire thing? Yes, that is my question. Thank you.

**S. Ramamurthy:**

Thanks for your congratulatory message. And thanks for joining the call. And thanks for asking this question. As you would appreciate in India, regulatory process is a consultative co-created process. We are not big enough to advise the regulators. But certainly, when there is a consultation, we do participate and we give our views, which helps in shaping up the regulatory atmosphere. In respect of derivatives, regulations have been a very evolving thing in the recent past particularly. If you recall, starting from November till April, we have been implementing multiple changes, which were brought in place based on the co-created process, which I just mentioned. So, this has resulted certainly in a change in the paradigm, with some amount of cooling off. Whether that is adequate or not, is a question which we need to be continuously asking. And whether still the retailers are losing money and how to ensure that they are able to understand what they trade and trade what they understand. This will be a continuous process and evolving process. What would be the regulatory process? What all could come out as regulation is something which we will not be able to predict. Whether there will be room for more regulatory evolutions, that cannot be ruled out because this has been a consistent process. As you yourself observed, some of the points which were put in the media subsequently have been negated by the regulators as not their views. So, we need to wait at this point of time as to how this process evolves. And as and when consultative process starts, we will certainly contribute from our side the best way in

which the derivatives market healthily develops as a good hedging and arbitrage mechanism, helping in the stabilization of the cash market and thus serve an economic purpose.

**Devesh Agarwal:**

So, sir, will it be right to say that at this point in time, there is no consultative process which has been ongoing to implement further regulations?

**S. Ramamurthy:**

You will be right to say that at this point of time, no consultative process has been started at all on this. If any changes have to be made and asked to be done, certainly a consultative process will happen and the regulators will co-create a meaningful regulatory framework, good for all of us.

**Devesh Agarwal:**

Right, sir. And sir, finally on the regulation itself, this Phase-2 or derivative 2.0 regulations which have gone live from 1st of July, what is your assessment in terms of a likely impact on the volume of that? That will be the last one. Thank you.

**S. Ramamurthy:**

What will be the impact on what?

**Devesh Agarwal:**

On the option volume, sir.

**S. Ramamurthy:**

So, that has already gone live and it is live for the past four months and the impact as you are seeing has not been any way devastating. In a way, to some extent, it has achieved the purpose for which it was brought in and more way to go as we discussed, regulations will be an evolutionary process.

**Devesh Agarwal:**

I was talking about the regulations which have gone live from July in terms of future adjusted equivalent open positions as well as the gross limits and the net limits that were introduced.

**S. Ramamurthy:**

That is too early for us to comment, we have to wait for some more time to understand how it evolves.

**Devesh Agarwal:**

Sure, sir. Thank you.

**Moderator:**

Thank you. We have a next question from the line of Amit Chandra from HDFC Securities. Please go ahead.

**Amit Chandra:**

Yes, thanks for the opportunity and sir congratulations for a very strong set of results. So, my question is a follow-up on the options volume. If you can clarify, what will be the mix of options volume in terms of now the contribution from weekly and monthly contracts in the overall volumes and also if you can give some color in terms of what will be the volume from HFTs, retail, proper institution in terms of options contribution and how this has evolved maybe in the last four quarters?

**S. Ramamurthy:**

Sure. Thanks, first of all, Amit Chandra for joining this conversation and thanks for your congratulatory message. As far as the question on the participation, the HFTs contribute for around 35% and the retailers contribute a bit shy of 25%-26%. The remaining comes from the prop and other traders. You asked a question about what is the mix of long-term versus the current week expiry volumes. As you would appreciate, BSE is a very late entrant into the derivative journey. Building long-term contracts is an effort and it takes time. It was, first of all, very big effort for us to build the weekly volumes itself. What we must say is the weekly volumes have grown well and the next week and next week volumes are picking up. Other than current week volumes, currently hover between 2% to 2.5% on a regular basis and our feeling is that with the type of effort that we are putting, we will be able to grow the mix more towards the other than weekly options and our efforts are on in this direction.

**Anand Sethuraman:**

Amit, also with regard to the participant-wise trading data, the trend that you requested, it is available on our website. We will be happy to share the link if you request.

**Amit Chandra:**

Okay, sir. Thank you for answering the questions.

**Moderator:**

Thank you. We have our next question from the line of Shalini Gupta from East India Securities. Please go ahead.

**Shalini Gupta:**

Good evening, sir. I am just a bit new to BSE, but sir, I was just wondering the substantial increase in turnover volume that we have seen, that is driven by derivatives, I think, but specifically which data point in derivatives? If I look at it, contracts are down more than 20% but the average ADTV is up and turnover is up almost 30%. If you could just say which specific data point reveals why your turnover has gone, sales have gone up from turnover?

**Anand Sethuraman:**

Hi, Shalini. For the index derivative contracts, you may please look at the premium turnover to derive the revenue numbers. Our charges are flat with respect to derivatives, so you can take it from our website. As far as the costs are concerned, you may please look at the notional turnover for computing the regulatory costs and the contracts traded for computing the clearing and settlement costs. You may please reach out to us offline, and we will probably be in a better position to give more clarifications. Thank you.

**Shalini Gupta:**

Thank you.

**Moderator:**

Thank you. We have our next question from the line of Gurpreet Sahi from Goldman Sachs. Please go ahead.

**Gurpreet Sahi:**

Thank you for taking my question. Congratulations from my side also, Mr. Ramamurthy and the BSE team on an excellent set of numbers. My one question is on the regulatory expense. So, Rs. 116 crores for this quarter, we were gaining clients and at the last call, Mr. Ramamurthy told us that it depends on many factors, new client additions, volatility, etc. But would we be fine with assuming that they level for the quarter? And if it goes higher, we can appropriately model higher. In other words, is this set of numbers a clean number for us to model the regulatory expense? Because as you can imagine, that moves around a lot and difficult to model. Thank you so much.

**S. Ramamurthy:**

Thanks for your congratulatory message. And as far as your question is concerned, the regulatory charges represent the turnover fee that we are paying to the regulators. It is a fairly simple number that is available from the public domain. And you will be able to compute it and model it very easily. For cash market, what is the methodology? And for the derivatives market, what is the methodology? All are available in public domain. So, if you are able to track the volumes that we trade on a daily basis, and if you have to model it, it will be as simple as it and as straight as an arrow. In case you require any help, please feel free to call our investor relations people. We will be able to show you how to go ahead with it.

**Gurpreet Sahi:**

Understood, sir. Thank you.

**Moderator:**

Thank you. We have our next question from the line of Sanketh Godha from Avendus Spark. Please go ahead.

**Sanketh Godha:**

Thank you for the opportunity, sir. My questions probably are, we have seen a 50-basis point improvement in our cash market share from June to July. So, if you can attribute whether that has happened largely because of common contract note, or it is a usual trend of market share. Just wanted to understand the color whether common contract note played any role for the market share gain. And the second thing, sir, is if you can give a bit color on the co-location tracks, how much we have, how much we are expected to add. And lastly, do you see any impact on premium realization due to Tuesday-Thursday swap?

**S. Ramamurthy:**

So, your question is on common contract note, co-location, and Thursday swap.

**Sanketh Godha:**

Tuesday-Thursday swap.

**Sundararaman R.:**

Yes. So, let me explain one by one. It is too early to say that common contract note has contributed for this. We have been making multiple efforts in garnering institutional support and also ensuring the retail participation gets a level playing field. Common contract note regulatorily provided a level playing field for institutions. But unless and until it is backed with proper SOR and best price execution, it is not going to translate into any meaningful avoidance and removal of the concentration risk seen in the market. So, we are working on it. So, it is too early. But probably the volume increase could be because of various other areas of operation which we were doing in improving the mobile applications of the retailers to ensure level playing field and also in introducing SOR even before the common contract note came. And some amount of institutional participation increased from mutual fund side and insurance side because there is a good amount of price difference in respect of scripts. So, they all have a mandate of best price execution. That could have resulted in it, but it is very too early to predict that or to state, conclude that it is because of common contract note this has happened. On the co-location journey, if you would recall, we started with the situation with not any meaningful level of data center or colo racks with us. We built it over a period of time and currently we have allocated around 350 racks, some of them 15 kVA, some of them 6 kVA, which has been fully taken up by the market. And some of the racks are in the process of being populated with servers and also the algorithms inside the servers. So, while this is happening, we are in the process of putting in place around 140 more racks in two tranches. One

probably will happen very soon, probably within a month's time. And another before the end of this financial year, which we think should be able to cater to the current requirements of the market. As far as Thursday is concerned, I would like you to recall my previous conversation. If you would remember that we started with our expiry day on Friday because we did not have option. Every day in the week was with one expiry. So, we had no option but to start with Friday. And subsequently, even the Friday was wanted for another expiry and subsequently wisdom prevailed and we continued with our Friday. And when the opportunity of only one weekly contract per exchange came, exchangers were given the option to choose whichever expiry they want. Since NSE chose Thursday, we chose Tuesday at that point of time. Subsequently, there was a huge amount of market noise in trying to shift the expiry to Monday or uniform expiry. It was confused and very noisy. And this made the regulators to jump in with a consultation paper which necessitated Tuesday or Thursday. Honestly, normally everybody would have expected that the status quo would have continued because the status quo was already Tuesday and Thursday. Since suddenly there was a renewed and interesting demand for Tuesday, in order to put a lid on this matter, we thought we will concede Tuesday. And also, we felt very strongly that Thursday is a very wonderful, great day. We did not opt for it because it was opted earlier by somebody else. So, now that there is an availability for it, we wanted to lap it up and we have taken Thursday. We do not feel that Thursday is a bad day. That is not the input that we have got from the market participants. So, we will go by whatever the market participants say. Since Thursday was found by the market participants to be a good day for us to take, we have gone with their verdict and we have taken it.

**Sanketh Godha:**

So, sir, you don't see an impact on the premium because of the Thursday movement, in your opinion?

**S. Ramamurthy:**

Whether there is going to be an impact or not, time will tell. Whether the market participants have predicted it and prevented me from taking it, I think I have explained. The answer is no. The market participants felt that Thursday is a better day. Beware, Thursday has been the expiry day traditionally for the most successful contract of this country. So, if I am getting it on a platter, why should I not take it?

**Sanketh Godha:**

Okay, got it, sir. Thank you for your answer.



**Moderator:**

Thank you. We have our next question from the line of Madhukar Ladha from Nuvama Wealth. Please go ahead.

**Madhukar Ladha:**

Congratulations on a good set of numbers, sir. Just one thing, on the expenses line item, we see the admin expenses have come down pretty significantly in Q1. What is happening out there and what sort of run rate should we be building in here?

**Deepak Goel:**

Madhukar, this is Deepak. Thank you for your question. Expenses appear to have come down because there was a one-off expenditure in the previous quarter. So, the number which is reflecting in P&L, you can assume it should continue at the same level.

**Madhukar Ladha:**

Sir, but also in Q1 FY'25, the number was like Rs. 63 crores. Q4 FY'25, the number was 61 crores. So, that is where I am coming from.

**Deepak Goel:**

So, I think I have told you these are the numbers which are at a reasonably normalized level and you can assume it will continue at that.

**Madhukar Ladha:**

Understood. Okay. Thank you.

**Moderator:**

Thank you. We have a next question from the line of Neeraj Toshniwal from UBS. Please go ahead.

**Neeraj Toshniwal:**

Congratulations on a great set, sir. Wanting to know more on co-location, how much is currently utilized? In terms of utilization, do we have allotted and what kind of revenue we can expect in this year from co-location services?

**S. Ramamurthy:**

See, the co-location, as I told you, we have allotted 350 racks already. We will not know how many of them are fully utilizing it from whatever our estimate is at least 75% to 80% of it is being used because we see some of the racks getting populated. But we will be coming out with some 140 racks further.

**Neeraj Toshniwal:**

In terms of revenue, sir, how much will we be paying customers in that?

**S. Ramamurthy:**

Honestly, I don't know what is the co-location rent revenue for us. Deepak, would you be knowing what is the revenue that we get out of co-location rent?

**Deepak Goel:**

We are not publishing it separately.

**S. Ramamurthy:**

But what is the number?

**Deepak Goel:**

We charge Rs. 12 lakh per annum.

**S. Ramamurthy:**

So, Rs. 12 lakh per annum for a 6 kVA rack and I think Rs. 25 lakhs is for a 15 kVA rack. Roughly around 10% of the total racks would be around 15 kVA racks. So, you can estimate revenue based on that. I think roughly it should be around Rs. 12 crores for quarter one. That is my rough estimate.

**Neeraj Toshniwal:**

Okay, I will take it offline on this one.

**S. Ramamurthy:**

I think roughly it should be around Rs. 12 crores for quarter one. That is my rough estimate.

**Neeraj Toshniwal:**

Okay, got it, sir. Thank you.

**Moderator:**

Thank you. We have our next question from the line of Shalabh Agrawal from Oxbow Capital. Please go ahead.

**Shalabh Agrawal:**

Hi, sir. Thank you for taking my question. I have just one question. Sir, what can be the second order impact on your volumes and premium turnover because of this Jane Street regulatory issue? And does it impact our co-location business in the future because we were expected to have these HFTs? Thank you, sir.

**S. Ramamurthy:**

Honestly, I don't have an answer for this question as to what you call a second order impact because Jane Street order came at least some 10-15 days before now, I guess. And whatever impact we are seeing, we are not seeing any specific impact arising out of Jane Street at least as what we could recognize. It is more of the market factors that are dealing with it. Co-location requirement would be based on what the demand and supply is and what the utility of the product. I think at this point of time, our estimate is we are better off with whatever number of Colo racks that we are manufacturing now. And I think that should take us for a good while. So that is what our estimated demand. This estimated demand is not after Jane Street. It is much before we have planned it at the beginning of the year. And I think our plan stands well. That is the way we are looking at it at this point of time.

**Shalabh Agrawal:**

Thank you, sir.

**Moderator:**

Thank you. We have our next question from the line of Amit Tapadia from IGE India family office. Please go ahead.

**Amit Tapadia:**

My questions have been answered. Thank you very much.

**Moderator:**

Thank you. We have our next question from the line of SK Debnath, an individual investor, please go ahead.

**SK Debnath:**

Thank you for giving me the opportunity. I would like to congratulate the management for wonderful performance. A small query just in the standalone part of it where the business has already gone up. But I find particularly when the expenses and all have gone up, the clearing and settlement expense compared to last previous quarter of having year-on-year basis, June 24 quarter was 1017 against which in this current quarter has been 707. This is something that has reduced quite a bit. What is the reason for it?

**S. Ramamurthy:**

Debnath, that is a very good question that you are asking. There are two things which are contributing to it in a big way. One is the contract size was very small in the year-on-year last quarter. So, in Q1 2024, which you are talking about, the contract size was smaller. And since we are paying the clearing and settlement charges based on the number of contracts traded, that contributed to a higher amount of charges for the same notional value traded. That was one part. And second, since we were at that point of time in the initial stages of inception, most of our volumes were concentrated on the expiry date. As you would appreciate on expiry day, the theta is a declining trend and a smaller number because of

which the premium value traded will always be small for the same notional number. The income earned is based on the premium traded. So, your income goes up whereas your settlement charges come down. That was the paradigm. Specifically, since you are talking about the clearing and settlement expenses as an absolute number, that reduction can be mainly attributed to the change in the contract size. The contract size was earlier very small. Now, the contract size has become bigger and therefore, it has become better.

**SK Debnath:**

Okay. That is quite clear. Otherwise, every expenses has gone up. These particular expenses had been lower. That is why I had asked for it. Anyway, thank you and it was a wonderful quarter performance despite the fact that equity has gone up. I mean, the number of shares has gone up. Still, the EPS has substantially higher than that of last year. Thank you.

**S. Ramamurthy:**

Thank you, sir.

**Moderator:**

Thank you. We have our next question from the line of Rattan Joneja from CoValue Technologies. Please go ahead.

**Rattan Joneja:**

Hi. Thanks for the opportunity and congratulations for a really great set of numbers. I wanted to ask what is the growth in numbers and FPIs and when do we see the equity cash segment come to a significant size? Those are my questions.

**S. Ramamurthy:**

Sure. Thank you, first of all, for your congratulatory message. We have been, as you know, working very hard for getting increased number of participants in the market. That has been our stated objective. Market share and profits and revenues were all second order for us. From a place where we did not have any member at all today, we are very happy to tell you that we are having 528 members who are participating with us. There are around 7.9 million UCCs registered. All of them may not trade, but at

least we have 7.9 million UCCs. And from no FPI situation today, we are having 330 FPIs who are participating in the market with us. I hope I have answered the question. If I have not answered any part, please repeat.

**Rattan Joneja:**

What is the growth compared to the last quarter? How many members and FPIs have we added?

**S. Ramamurthy:**

If you are able to see, in Q1 FY'24, we had 200 members. Today, we are having around 528 members. We had less than 1 million, around probably only 1 lakh investors we had, 1 lakh UCCs we had in Q1 FY'24. It has become 7.9 million, that is 79 lakhs in terms of registered people as of now. Probably in Q1 FY'24, we had less than 10-15 FPIs with us. Today, we are talking about 330 FPIs. There has been a significant growth in terms of member participation, market participation in this one year.

**Moderator:**

Thank you. Ladies and gentlemen, that would be the last question for today and I now hand over the conference to the management for closing comments. Over to you, sir.

**Anand Sethuraman:**

Thank you so much. Thank you everyone for joining the call today. If you have any questions, please reach out to us at [bse.ir@bseindia.com](mailto:bse.ir@bseindia.com). Thank you.

**Moderator:**

Thank you. On behalf of BSE Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.