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IPO Note

National Stock Exchange of India Limited (NSE)

16 September 2026

About the Company

National Stock Exchange of India Limited (NSE) was incorporated as a public limited company on November 27, 1992 under the Companies Act, 1956 and commenced operations on March 2, 1993. NSE has developed into a major market infrastructure institution in India and functions as a "first level regulator", with responsibilities that include providing transparent and fair access to market participants while supporting orderly and efficient market functioning and investor protection.

The Company has established a broad presence across India's capital-market ecosystem and has maintained leadership across key market segments. NSE has been the largest stock exchange in India in terms of total turnover in the cash market and equity derivatives from Fiscal 2001 to Fiscal 2026, as well as in exchange-traded currency derivatives from Fiscal 2009 to Fiscal 2026. As of June 30, 2026, NSE served 132.37 million unique registered investors covering more than 99% of Indian postal codes, while facilitating trading in 3,270 entities across companies, trusts, government securities, bonds and other permitted instruments.

NSE operates within a broader corporate structure comprising subsidiaries and associates that extend its presence beyond the core exchange platform. Its subsidiaries include NSE Clearing Limited (NCL), NSE Investments Limited, NSE IFSC Limited, NSE Administration and Supervision Limited, NSE Foundation and National Coal Exchange of India Limited, along with indirect subsidiaries covering areas such as data and analytics, indices, academy, clearing infrastructure and information services. Its associates include entities operating across areas such as bullion, gas, receivables, power exchanges, market technology, skill development and the social stock exchange ecosystem.

The Company's scale is supported by its technology infrastructure, operating capabilities and financial profile. The Company has also continued to invest in technology, cybersecurity, business continuity and operational resilience. Its technology infrastructure is designed to handle high transaction volumes across multiple asset classes, while its internal technology capabilities allow it to introduce new products and adapt existing systems for evolving regulatory and market requirements.

Outlook

NSE's established position across key market segments, expanding investor participation and diversification across trading, clearing, listing, index and data services provide a broad operating base for growth, subject to market activity and regulatory developments. The Company's continued expansion across asset classes and financial products may support further business development, while trading volumes and transaction activity remain key variables. At the upper price band, NSE is valued at 42.9x P/E and 35.2x EV/EBITDA.

Issue Details:

Price Band (Rs)	Rs. 1700 to Rs. 1785
Issue Size	Rs. 225.62 Bn
Fresh Issue	-
Offer for Sale	Rs. 225.62 Bn
Lot Size	8
Market Cap	Rs. 4417.87 Bn
Issue Opens	17-September-26
Issue Closes	21-September-26
Lead Manager	19 Lead Managers
Registrar	MUFG Intime India Private Limited
Tentative Listing Date	24-September-26
Listing on	BSE

Indicative Timetable

Finalization of Basis of allotment	September 22, 2026
Refund/ Unblocking of ASBA	September 23, 2026
Credit of Equity Shares to DP A/C	September 23, 2026

Issue Breakup

QIB	Not more than 50% of the Offer
RETAIL	Not less than 35% of the Offer
NII	Not less than 15% of the Offer
TOTAL	100%

Promotor Shareholding

Pre Issue Share Holding	NA
Post Issue Share Holding	NA

Issue

The IPO comprises a complete Offer for Sale of ₹225.62 bn, with no Fresh Issue by the exchange.

Evolution of Business

NSE

1992-1998

1992
- Incorporated in November 1992

1993
- Recognised as a stock exchange by SEBI in April 1993

1994
- Commenced screen-based trading of securities

1996
- Created and administered a settlement fund
- Launched our flagship Nifty 50 Index

1999-2005

2000-01
- Commenced derivatives trading with Nifty 50 futures & options

2002-03
- Gradually reduced settlement cycle from T+5 to T+2

2005
- Number of Listed Entities crossed 1,000 mark

2006-2015

2007
- Market Capitalisation of Listed Entities hit US$1 trillion
- Unique Registered Investors crossed 5 million
- Nifty 50 crossed 5,000 mark

2009
- Unique Registered Investors crossed 10 million
- Launched Mutual Fund Service System (MFSS)

2012
- Launched SME-specific platform: EMERGE

2014
- Launched the NSE NMF II platform for mutual fund distributors

2016-2021

2016
- Unique Registered Investors crossed 20 million

2017
- Market Capitalisation of Listed Entities hit US$2 trillion
- Nifty 50 crossed 10,000 mark

2019
- Largest volume of derivatives contracts traded in the world in CY 2019 [2]

2021
- Unique Registered Investors crossed 50 million
- Number of Listed Entities crossed 2,000 mark
- Nifty 50 crossed 15,000 mark

2022-2024

2022
- Implemented T+1 settlement cycle in a phased manner
- Unique Registered Investors crossed 69 million
- Inauguration of NSE IFSC-SGX Connect

2023
- First listing on NSE Social Stock Exchange
- Nifty 50 crossed 20,000 mark
- SMEs on EMERGE hit ₹1 trillion market capitalisation

2024
- Launched T+0 settlement in the equity segment
- Nifty 50 crossed the 25,000 mark
- Market Capitalisation of Listed Entities crossed $5 trillion

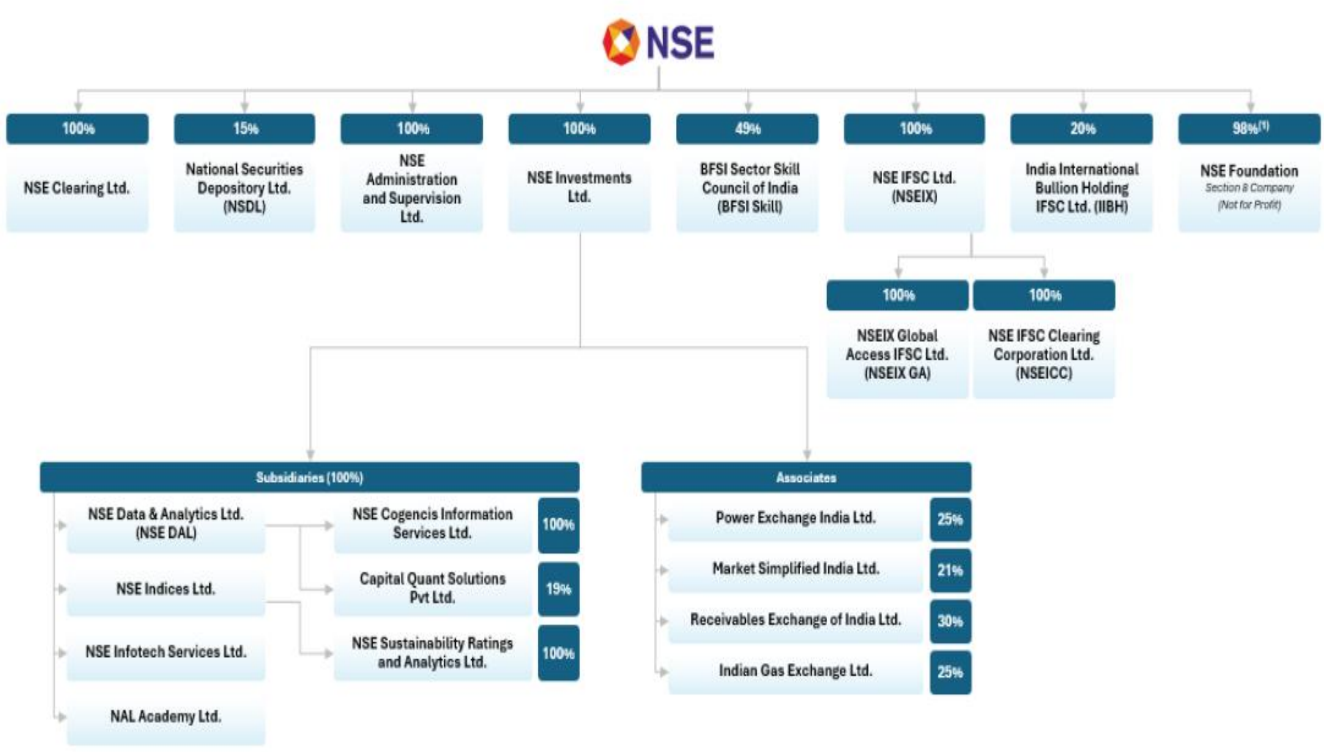
2025-2026

2025
- Unique Registered Investors crossed 122 million and investor accounts (unique client codes) crossed 240 million
- Launched a website for municipal bonds
- Launched NSE MF Invest
- PaRRVA pilot launched
- EMERGE marked its 650th SME listing milestone having raised over ₹180 billion since 2012

2026
- Unique Registered Investors crossed 130 million [1]

Represents Calendar Years

Corporate Structure



Overview of Business

NSE operates a vertically integrated, multi-asset-class market infrastructure platform covering trading, clearing and settlement, along with related services such as listing, indices and market data. Its trading platform covers cash-market products and multiple derivatives, including equities, equity derivatives, exchange-traded currency derivatives, commodity derivatives and interest-rate futures. It also provides an online mutual fund transaction platform and debt-market infrastructure, including request-for-quote platforms and related funding mechanisms.

The post-trading business is principally supported by NSE Clearing Limited and NSE IFSC Clearing Corporation, which provide clearing and settlement infrastructure across various asset classes. These operations incorporate real-time exposure monitoring, margining, collateral management and risk-management systems. NCL also supports T+1 and T+0 settlement cycles and interoperability across clearing corporations, while the Company's Core Settlement Guarantee Fund stood at ₹133,923.06 million as of June 30, 2026. The integrated structure allows trading, clearing and settlement activities to operate within a coordinated market infrastructure.Beyond trading and clearing, NSE has developed several non-trading businesses that broaden its revenue and service ecosystem. Its listing activities cover equities, equity convertible securities, debt instruments, REITs and InvITs, while its index business develops and licenses Nifty-branded indices and related financial products.

The Company also provides market-data feeds, analytics and research-support tools to institutional and retail participants, with customers including financial institutions, asset managers, brokers, data aggregators, researchers, media companies and software companies. NSE also has strategic investments in complementary businesses covering areas such as registry services, depository services, back-end exchange support, mobile trading and commodity, power and receivables exchanges.

The Company is also focused on expanding its platform into new products and markets by leveraging its existing technology and infrastructure. Recent initiatives highlighted in the RHP include electricity futures, electronic gold receipts, new thematic indices and futures and options on the Nifty India FPI 150 Index. NSE is also working on sustainability-linked products, expanding its index portfolio, developing digital market infrastructure and establishing a stronger offshore presence to engage with international investors. The Company believes its scalable and asset-light technology architecture allows it to introduce additional products at relatively low marginal cost while extending transparent price discovery, standardised contracts and efficient settlement to new areas of the financial ecosystem.

GLOBAL RANKING	MARKET SHARE IN INDIA	REACH	TRADING INFRA	CLEARING INFRA[7]
#1 Multi-Asset Class Exchange [1]	93.05% Cash Market [3]	132.37 Mn Unique Registered Investors [9]	12.46 Bn Average Messages Processed daily [11]	#1 Clearing Corporation in India [11]
#1 Cash Equities [1]	99.72% Equity Futures [4]	Over 99% PIN Codes [6]	~5 Mn Messages per Second across asset classes	AAA Rated By Credit Rating Agency [6]
#1 Equity Derivatives [1]	68.48% Equity Options [5]	1,400+ Cities [6]	200K+ Trading Terminals [6]	₹133.92 Bn Core Settlement Guarantee Fund [8]
#2 Listing Platform [2]		3,005 Listed Entities [10]	Nanosecond Response Time	

Trading Volume & Market Share by Product

Products	Number of trades/contracts traded (million) – Q1 FY27 (ended June 30, 2026)	Market share globally (%) – Q1 FY27	Number of trades/contracts traded (million) – FY26	CAGR (%) FY24 to FY26	Market share globally (%) – FY26
Cash equities	2,229.9	10.7%	7,954.7	8.5%	11.4%
Equity derivatives	9,990.9	50.2%	36,964.4	-37.7%	51.2%
Single stock futures	119.7	5.2%	482.5	21.8%	7.8%
Single stock options	442.6	8.6%	1,754.0	24.2%	9.0%
Index futures	9.1	0.4%	41.1	-30.8%	0.6%
Index options	9,419.5	91.0%	34,686.9	-39.1%	89.0%

Total turnover and ADTV in cash markets

Segment	Fiscal 2024		Fiscal 2025		Fiscal 2026		Three months period ended June 30, 2026	
	Total turnover	ADTV	Total turnover	ADTV	Total turnover	ADTV	Total turnover	ADTV
Cash market	201,034,377	817,212	281,278,482	1,129,632	260,626,167	1,055,166	81,569,237	1,359,487

Financials:

Metric	Fiscal 2024	Fiscal 2025	Fiscal 2026	Three months period ended June 30, 2026
Total income	163,520.6	191,768.3	187,133.7	52,521.7
Profit for the period	83,057.4	121,876.9	103,020.6	31,200.8
Operating EBITDA*	98,698.1	126,468.8	110,979.0	35,942.5
Normalised Operating EBITDA	114,424.5	133,170.7	126,559.0	35,459.3
Dividend Per Share (₹)	18.0**	35.0	35.0	NA

*impact of new labor law and contribution core Settlement guarantee fund is included while calculating
**adjusted to reflect the bonus equity shares issued on November 4, 2024.

Business Segment

Offering	Nature of Revenue	FY24 Income (mn)	FY24 % of Income	FY25 Income (mn)	FY25 % of Income	FY26 Income (mn)	FY26 % of Income	Q1 FY27 Income (mn)	Q1 FY27 % of Income
Transaction Charges		1,21,296	74.20%	1,36,358	71.10%	1,30,570	69.80%	36,227	69.00%
Listing services			1.40%		1.60%		1.90%		1.50%
	Listing fees	1,197		1,522		1,772		470	
	Processing fees	484		569		610		237	
	Book building fees	545		1,048		1,142		77	
Data Centre – Rack charges		1,338	0.80%	1,544	0.80%	2,052	1.10%	594	1.10%
Data Connectivity charges		8,247	5.00%	11,045	5.80%	11,288	6.00%	2,583	4.90%
Data Feed & Terminal services			2.10%		2.10%		2.50%		2.90%
	Online data feed services fees	2,789		3,310		3,941		1,241	
	Data terminal services fees	604		762		760		255	
Licensing services	Index licensing & Data subscription fees	975	0.60%	1,205	0.60%	1,519	0.80%	441	0.80%
Clearing & Settlement services		1,348	0.80%	3,213	1.70%	2,515	1.30%	824	1.60%
Others		856	0.50%	1,260	0.70%	1,428	0.80%	317	0.60%
Other operating revenue	Income on investments	8,121	5.00%	9,572	5.00%	8,417	4.50%	2,339	4.50%
Revenue from Operations		**1,47,800**	**90.40%**	**1,71,407**	**89.40%**	**1,66,013**	**88.70%**	**45,604**	**86.90%**
Other income	Investment income	15,547	9.40%	19,322	10.10%	19,291	10.30%	6,822	13.00%
	Others	174	0.10%	1,040	0.40%	1,830	1.00%	96	0.10%
Total Income		**1,63,521**	**100.00%**	**1,91,768**	**100.00%**	**1,87,134**	**100.00%**	**52,522**	**100.00%**

Reportable Segment	Key activities
Trading Services	Cash market, equity derivatives, debt, currency derivatives, commodity derivatives
Clearing Services	Clearing and settlement of cash market, F&O, currency and commodity trades
Others	Data feeds, data terminals, strategic investments and index licensing

1. Trading Services

Trading Services form the core business of NSE and cover trading activities across multiple asset classes. The segment includes equity/cash market, equity derivatives, debt, currency derivatives and commodity derivatives, allowing market participants to transact through NSE's electronic trading infrastructure. Revenue from this segment primarily comes from transaction-related charges levied on trading members, along with listing and book-building fees, data-centre rack charges and data-connectivity charges.

Cash Market:

The cash market provides a platform for trading securities where transactions involve the buying and selling of securities for settlement. Cash-market offerings include equities and other securities such as exchange-traded funds, REITs, InvITs and corporate bonds. The segment benefits from NSE's large trading-member network and electronic infrastructure used for order execution and price discovery.

Equity Derivatives:

NSE provides trading in futures and options on equities and equity indices. Equity derivatives enable market participants to take positions or manage exposure to underlying equities and indices without directly transacting in the underlying securities. Within NSE's transaction-charge revenue, options constitute the largest component, followed by futures. For the three months ended June 30, 2026, transaction charges from options were ₹27,439.47 million, while futures contributed ₹3,674.81 million.

Currency Derivatives:

NSE also provides an exchange-traded platform for currency derivatives, enabling participants to transact in currency futures and related products. These products provide market participants with an exchange-based mechanism for managing exposure to movements in currencies. Transaction charges from currency derivatives form part of the "Others" component within transaction-charge revenue.

Commodity Derivatives:

Commodity derivatives are another asset class offered through NSE's trading platform. The segment includes exchange-traded commodity derivative products, with transaction charges forming part of the "Others" component within the transaction-charge category. Currency derivatives, wholesale debt market and interest-rate derivatives are also included within this revenue stream.

Debt and Interest-Rate Products:

NSE's trading offerings also extend to debt securities, wholesale debt market and interest-rate futures. These products allow participants to access exchange-based infrastructure for trading and risk management beyond equities. Transaction charges from wholesale debt market and interest-rate derivatives are included within the "Others" component of transaction-charge revenue.

2. Clearing & Settlement Services

Clearing Services represent the post-trading infrastructure of the NSE ecosystem. While Trading Services facilitate the execution of transactions, the clearing business is responsible for clearing and settlement of trades executed across the cash market, futures and options, currency derivatives and commodity derivatives segments. This business is operated through NSE Clearing Limited (NCL) and NSE IFSC Clearing Corporation Limited (NSEICC).

The clearing function comes into play after a trade has been executed. It determines the obligations of different parties, manages margins and collateral, and facilitates settlement of transactions. Revenue is generated from services provided by the clearing corporations to market participants. NCL also operates the Core Settlement Guarantee Fund, which forms an important component of the risk-management framework supporting the clearing system. As of June 30, 2026, NCL had a Core Settlement Guarantee Fund of ₹133,619.41 million on a standalone basis.

NCL has progressively moved towards shorter settlement cycles, transitioning from T+5 settlement in 2001 to T+1 settlement in 2022. NCL had market shares of 88.42% in the cash market, 91.04% in equity derivatives, 74.09% in exchange-traded currency derivatives and 88.83% in interest-rate futures for the relevant June 2026 period.

3. Listing Services

NSE earns revenue by providing listing-related services to issuers whose securities are listed on its platform. The revenue stream comprises listing fees, processing fees and book-building fees. Listing fees are paid by entities for having their securities listed, while processing and book-building fees are associated with activities undertaken during the listing and issuance process.

The listing business connects NSE with the primary-market ecosystem, rather than only secondary-market trading activity. Through its platform, companies and other eligible issuers can raise capital and have their securities admitted for trading. For Fiscal 2026, listing fees amounted to ₹1,772.12 million, processing fees to ₹610.36 million and book-building fees to ₹1,141.88 million.

4. Data Centre & Connectivity Services

NSE also monetises its technology and trading infrastructure through data-centre and connectivity-related services. Data Centre–Rack charges represent fees earned by providing colocation data-centre facilities to members of NSE and NSE International Exchange (NSEIX). These include rentals and incidental charges associated with providing rack facilities to members.

Data Connectivity charges are paid by market participants such as brokers, institutional investors and high-frequency traders for establishing and maintaining physical or virtual connectivity with NSE's trading system. Charges vary according to the subscription category and Messages Per Second (MPS) requirement for different asset classes. This business therefore monetises the infrastructure required by participants that need high-speed and reliable access to NSE's trading platform.

For the three months ended June 30, 2026, Data Centre–Rack charges contributed ₹593.88 million, representing 1.13% of the relevant revenue base.

5. Data Feed & Terminal Services

NSE monetises the financial information generated by its trading ecosystem through data-feed and terminal services. These services provide trading data, including real-time market data, through online data feeds, subscription packages and data terminals. The business is operated through NSE Data & Analytics Limited and Cogencis Information Services Limited.

The offering allows market participants and other users to access information generated from the exchange, rather than directly participating in trading. The revenue stream comprises online data-feed service fees and data-terminal service fees. This creates a recurring information-services revenue stream linked to the value of NSE's market data and users' requirement for timely market information.

6. Index Licensing Services

NSE has a separate business around its Nifty family of indices, operated through its subsidiary NSE Indices Limited. NSE develops and manages indices covering different sectors, themes and investment strategies, with the Nifty 50 being its flagship index. As of June 30, 2026, NSE had 435 indices.

The business earns licensing fees when the Nifty indices are used for launching financial products. Customers include asset managers launching products linked to Nifty indices, stock exchanges introducing index-linked derivatives, and intermediaries such as brokers and investors that use the indices for monitoring andanalysing equity markets. NSE also earns data-subscription fees under its licensing-services revenue stream.

The scale of the index franchise is reflected in the assets linked to Nifty indices. Total AUM of Indian passive funds linked to Nifty indices stood at ₹8.95 trillion as of June 2026, representing 72.59% of India's passive fund AUM excluding gold and silver.

7. Treasury / Investment Income

In addition to revenue directly generated from its market infrastructure, NSE has an active treasury-management function. The Company invests its own funds as well as deposits and margin-related funds received from market participants. These funds are primarily invested in government securities, corporate bonds, mutual funds and bank deposits, subject to the applicable investment policy, prudential norms and regulatory guidelines.

Income from these investments is classified as other operating revenue when it relates to funds generated from operating activities. The revenue primarily comprises interest income and income from redemption of mutual-fund units. This is an important complementary income stream because the exchange and clearing ecosystem holds sizeable funds in connection with its operating and risk-management activities.

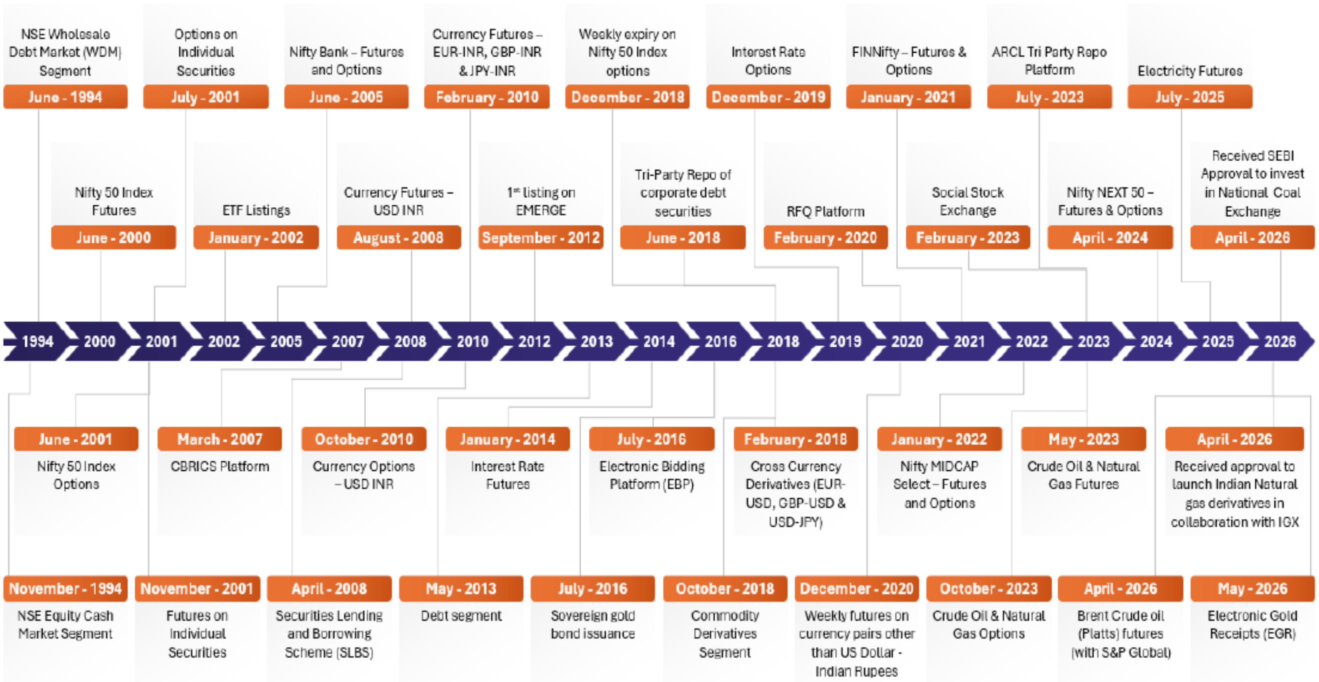
8. Others

The Others category consists of revenue streams that are not directly attributable to the principal services described above. It includes data-feed services, data-terminal services, strategic investments and index licensing services at the segment-reporting level.

At the consolidated business level, Others captures remaining revenue streams that are not directly attributable to the specified services, including various ancillary activities. While Trading Services and Clearing Services represent the principal operating segments reported to the Chief Operating Decision Maker, the Others category captures the broader ecosystem of information, index, investment and ancillary activities.

Products and Services

Timeline of selected product and service launches



Revenue Break Up by Top 10 Customers:

Particulars	Fiscals 2024	Fiscals 2025	Fiscals 2026	Three months period ended June 30, 2026
Customer 1	18,012.3	15,094.8	13,210.9	3,520.8
Percentage of revenue from operations	12.2%	8.8%	8.0%	7.7%
Customer 2	13,614.2	13,723.6	12,904.7	3,431.9
Percentage of revenue from operations	9.2%	8.0%	7.8%	7.5%
Customer 3	9,969.9	12,410.1	12,581.7	3,040.8
Percentage of revenue from operations	6.8%	7.2%	7.6%	6.7%
Customer 4	5,780.6	6,879.9	7,278.4	2,261.0
Percentage of revenue from operations	3.9%	4.0%	4.4%	5.0%
Customer 5	4,819.4	6,609.8	7,016.2	1,908.3
Percentage of revenue from operations	3.3%	3.9%	4.2%	4.2%
Customer 6	3,295.0	5,287.2	5,610.4	1,878.6
Percentage of revenue from operations	2.2%	3.1%	3.4%	4.1%
Customer 7	3,166.3	4,391.3	5,584.2	1,666.8
Percentage of revenue from operations	2.1%	2.6%	3.4%	3.7%
Customer 8	2,891.2	4,268.8	4,790.0	1,277.8
Percentage of revenue from operations	2.0%	2.5%	2.9%	2.8%
Customer 9	2,737.7	3,843.7	4,662.8	1,274.0
Percentage of revenue from operations	1.9%	2.2%	2.8%	2.8%
Customer 10	2,607.7	3,729.4	4,016.6	1,172.0
Percentage of revenue from operations	1.8%	2.2%	2.4%	2.6%
Aggregate absolute value of the revenue from the top ten trading members	66,894.2	76,238.4	77,655.8	21,431.9
Percentage of revenue from operations (%)	45.3%	44.5%	46.8%	47.0%

Financial KPIs

Particulars	Units	FY24	FY25	FY26	Q1 FY27
Operating Metrics					
Unique Registered Investors	# mn	92	113	129	132
Listed Entities on Exchange	#	2438	2719	2978	3005
Market Capitalisation of Listed Entities	₹ tn	384	411	411	474
Total AUM of India Passive Funds Linked to Nifty Indices	₹ tn	6	8	8	9
Colocation Member Racks	# (full rack equivalent)	934	1300	1680	1868
Nifty Indices	#	388	412	425	435
Trading Metrics – Average Daily Trading Volume (ADTV)					
Cash market	₹ mn	817213	1129633	1055167	1359487
Equity futures	₹ mn	1340003	1859014	1594432	1530789
Equity options (premium value)	₹ mn	617788	624487	576618	643518
Equity options (notional value)	₹ mn	323569230	312838244	258284697	249212893
Listing Metrics					
No. of IPOs – Mainboard	#	75	79	108	8
No. of IPOs – SME	#	138	163	111	14
Total Equity Raised	₹ tn	2	5	5	1
Total Debt Raised	₹ tn	11	14	16	5
Total Fund Mobilisation	₹ tn	14	19	20	6
Financial Metrics					
Revenue from operations	₹ mn	147800	171407	166013	45604
-Transaction charges	₹ mn	121296	136358	130570	36227
– Cash market	₹ mn	12359	16886	15546	5023
– Futures	₹ mn	12490	17273	14801	3675
– Options	₹ mn	95502	101940	99976	27440
– Mutual Fund	₹ mn	97	131	180	64
– Others	₹ mn	849	128	67	25
Listing services	₹ mn	2226	3138	3524	784
Data Centre – Rack charges	₹ mn	1338	1544	2052	594
Data Connectivity charges	₹ mn	8247	11045	11288	2583
Data Feed & Terminal services	₹ mn	3393	4071	4701	1496
Licensing services	₹ mn	975	1205	1519	441
Clearing & Settlement services	₹ mn	1348	3213	2515	824
Other operating revenue: income on investments	₹ mn	8121	9572	8417	2339
Others	₹ mn	856	1260	1428	317
Other income: investment income	₹ mn	15547	19322	19291	6822
Other income: others	₹ mn	174	1040	1830	96
Total Income	₹ mn	163521	191768	187134	52522
Profit before tax from Continuing operations	₹ mn	111843	154748	138956	41695
Profit for the period/year (PAT)	₹ mn	83057	121877	103021	31201
Operating EBITDA*	₹ mn	98698	126469	110979	35943
Operating EBITDA Margin	%	67	74	67	79
Operating Profit	₹ mn	94303	121003	104744	34317
Operating Profit Margin	%	64	71	63	75
Normalised Operating EBITDA	₹ mn	114425	133171	126559	35459
Normalised Operating EBITDA Margin	%	77	78	76	78
Profit Before Tax Margin from continuing operations	%	68	75	69	79
Normalised Profit Before Tax from continuing operations	₹ mn	126755	149141	141207	41009
Normalised Profit Before Tax Margin from continuing operations	%	77	77	76	78
Profit After Tax Margin	%	47	55	51	59
Book value per share	₹	97	123	130	142
Return on Capital Employed	%	46	52	43	12
Return on Equity	%	37	45	33	9
Treasury investments	₹ mn	480164	486307	647713	681980
Settlement obligations payable and margin money from members	₹ mn	213271	158799	301467	260124
Risk Management Metrics					
Risk Reserve	₹ mn	85330	85330	48050	48050
Core Settlement Guarantee Fund	₹ mn	88572	120753	130792	133923
Investor Protection Fund Trust	₹ mn	19916	24590	28704	29300
IPFT Claim Expenditure	₹ mn	528	303	221	32
Number of IPFT claims	#	6851	4671	3392	579

*impact of new labor law and contribution core Settlement guarantee fund is included while calculating

Competitive Strength

Market Leadership and Strong Position in India's Capital Market Ecosystem

The company is the leading stock exchange in India, maintaining dominant market positions across cash equities, equity derivatives, currency derivatives and electricity futures. It has been the largest exchange in India by turnover across key asset classes and, globally, ranked among the leading listed multi-asset exchanges by number of trades and contracts traded. In FY26, it accounted for 92.99% market share in the cash market, 99.79% in equity futures, 74.71% in equity options based on premium turnover, 99.48% in currency futures and 100% in currency options. As of June 30, 2026, it served 132.37 mn unique registered investors across more than 99% of Indian postal codes and facilitated trading in 3,270 entities. Its clearing subsidiary, NCL, is the largest clearing corporation in India by cleared value, with market shares of 88.42% in cash market and 91.04% in equity derivatives in FY26.

The company also plays a key role in India's capital formation ecosystem through its Mainboard, SME platform, Social Stock Exchange and debt-market platforms. As of June 30, 2026, it had 3,005 listed entities, including 565 SME companies, while 195 non-profit organisations were registered on the Social Stock Exchange. In FY26, it raised US$20.06 bn through IPOs and recorded 219 new IPO listings, placing it among the leading exchange groups globally. The company also mobilised ~₹15.55 tn through debt fundraising during FY26 and has a strong presence in passive investment products, with Nifty-linked indices accounting for ~72.5% of India's passive fund AUM. With its deep liquidity, broad product portfolio, extensive investor base and operational scale, the company remains well positioned to benefit from the continued expansion and formalisation of India's capital markets while supporting innovation, lower transaction costs and broader investor participation.

Products	Number of trades/contracts traded (million) – Q1 FY27 (ended June 30, 2026)	Market share globally (%) – Q1 FY27	Number of trades/contracts traded (million) – FY26	CAGR (%) FY24 to FY26	Market share globally (%) – FY26
Cash equities	2,229.9	10.7%	7,954.7	8.5%	11.4%
Equity derivatives	9,990.9	50.2%	36,964.4	-37.7%	51.2%
Single stock futures	119.7	5.2%	482.5	21.8%	7.8%
Single stock options	442.6	8.6%	1,754.0	24.2%	9.0%
Index futures	9.1	0.4%	41.1	-30.8%	0.6%
Index options	9,419.5	91.0%	34,686.9	-39.1%	89.0%

Track Record of Innovation and Product Development

The company has a strong track record of developing innovative market infrastructure and introducing new products through its vertically integrated business model. In FY95, NSE became the first operational stock exchange in India to introduce a fully automated, screen-based electronic trading system through the NEAT platform, while NCL was India's first clearing corporation and the first to provide a settlement guarantee mechanism. NSE also pioneered exchange-traded currency derivatives in India, launching the segment in August 2008, and has established a strong position in electricity futures with a 71.38% market share during July 14, 2025 to March 31, 2026 and 53.52% during April 1, 2026 to June 30, 2026, based on number of lots traded.

The company has continued to strengthen its market infrastructure through innovations in clearing and settlement. NCL was among the early clearing corporations globally to transition to a T+1 settlement cycle and subsequently introduced T+0 settlement, improving settlement efficiency and reducing counterparty risk. Its ability to continuously introduce new products, adopt advanced trading and settlement mechanisms and operate across trading, clearing and settlement provides a comprehensive platform for market participants and reinforces its position as an integrated capital-market infrastructure provider.

Growth Strategies

NSE continues to invest in technology infrastructure to strengthen the resilience, capacity and efficiency of its trading platform. Over the last two years, it added 746 full rack equivalents (FREs), increasing cumulative capacity from 934 FRE racks in FY24 to 1,680 FRE racks in FY26. As of June 30, 2026, member colocation capacity stood at 1,868 FRE racks, with plans to add 1,800+ further FRE racks based on market requirements and service enhancements. The exchange has also strengthened its high-speed network with multiple points of presence, enabling members to connect through third-party service providers. Other initiatives include an integrated filing platform with API-based submissions, optimisation of the E-IPO platform, which processed 140.10 million bids in FY26, and the launch of a mobile application and revamped website with real-time data and multilingual support.

NSE is also advancing its technology capabilities through AI and generative AI initiatives across regulatory technology, surveillance, operational efficiency, user experience and software development. Key initiatives include AI-assisted offer document review, IPO media intelligence, social media monitoring, enterprise knowledge management, speech-to-text analytics and AI-assisted software development tools, which are being implemented through pilots, UAT and phased deployment within a secure on-premises environment. These initiatives are aimed at improving compliance and surveillance, reducing manual effort and turnaround times, strengthening risk identification and enabling faster, data-driven decision-making, while maintaining robust governance controls and human oversight.

	Fiscal 2024	Fiscal 2025	Fiscal 2026	Q1FY27
Technology-related operating expenses				
Technology expenses	7,861.70	10,218.60	13,145.80	3,654.30
As a percentage of revenue from operations	5.30%	6.00%	7.90%	8.00%
Technology-related capital expenditure				
IT capital expenditure	4,366.00	4,931.60	4,220.30	1,211.60
IT capital expenditure as % of total capital expenditure	92.00%	81.90%	71.90%	46.30%
Total capital expenditure	4,744.50	6,025.20	5,866.40	2,618.80

Expanding into New Markets through Technology-Driven Products

NSE is focused on bringing traditionally unorganised markets onto transparent, technology-driven exchange platforms. In April 2026, it received SEBI approval to establish a dedicated national coal trading exchange, followed by the incorporation of National Coal Exchange of India Limited in June 2026. NSE has also expanded its energy and commodity offerings with electricity futures, Indian Natural Gas Futures, 10-gram gold futures and Brent crude oil derivatives, while collaborating with S&P Global Energy to launch derivatives linked to Platts benchmarks. These initiatives aim to improve price discovery, transparency, hedging and resource allocation across large domestic markets.

Strengthening Global Presence through GIFT City and International Partnerships

NSE is strengthening its international presence through global partnerships and its operations in GIFT City's International Financial Services Centre (IFSC) through NSE International Exchange (NSEIX), established in 2016. NSEIX provides a regulated platform for cross-border investments, global fundraising and hedging, supported by NSE IFSC Clearing Corporation (NSEICC) for clearing and settlement. NSE has entered into strategic partnerships and MoUs with global exchanges, including Singapore Exchange, Cyprus Stock Exchange, Colombo Stock Exchange and Taiwan Stock Exchange, while introducing products such as extended trading hours, Nifty 50 Index Options with Daily Expirations (ODTE) and GIFT Nifty India FPI 150 derivatives. In FY26, NSE also launched NSEIX Global Access IFSC Limited (NSEIXGA), enabling Indian residents, NRIs, PIOs, OCIs, PROIs and IFSC-based entities to invest in global markets through a single digital account, supported by digital onboarding and a mobile application. These initiatives aim to strengthen GIFT City's position as a global financial hub and expand access to international markets for a wider range of investors.

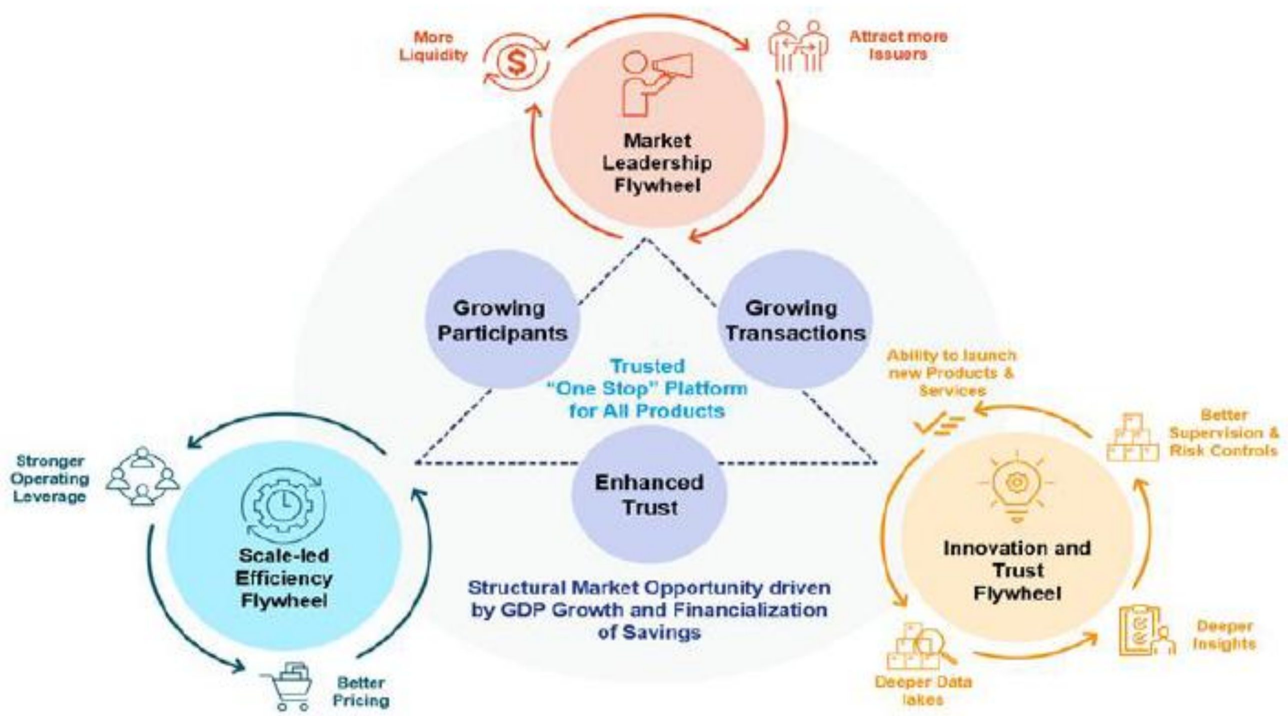
Expanding Data Monetization and Building a Strategic Global Presence

NSE aims to expand monetization of its comprehensive market-data ecosystem by leveraging data generated across trading, clearing and post-trade activities for applications across research, trading, risk management, surveillance and digital platforms. With increasing systematic investing and AI adoption, the exchange plans to enhance the breadth, granularity and timeliness of its datasets and develop structured, tiered offerings comprising real-time feeds, historical data and value-added analytics, subject to the applicable regulatory framework. In parallel, NSE intends to build a strategic offshore presence to strengthen engagement with global institutional investors, including sovereign wealth funds, pension funds, family offices and other investors, while supporting investor onboarding and market access. This international footprint is expected to complement its GIFT City operations and create opportunities across index and data services, including customized indices and investment products incorporating alternative datasets such as ESG parameters, thereby strengthening NSE's integration with global financial markets.

Well, Positioned to Benefit from India’s Structural Capital Market Growth

NSE is positioned to benefit from the increasing financialization of savings, rising incomes and deeper participation in India’s capital markets. Retail participation has expanded significantly, with demat accounts increasing from 55.13 million in March 2021 to 231.55 million by June 2026, while SIP contributions increased from ₹960.80 billion in FY21 to ₹3,495.89 billion in FY26. Institutional participation has also strengthened, with mutual fund AUM reaching ₹82.22 trillion as of June 2026 and passive funds linked to Nifty indices reaching ₹8.95 trillion.

India's capital markets have also demonstrated strong growth and resilience, with listed market capitalization on NSE increasing nearly 107x over the last 30 years and total fund mobilization reaching ₹20.33 trillion in FY26. Increasing IPO activity, broader product offerings and rising adoption of index-linked investments are supporting market depth and liquidity. The growing participant base creates strong network effects, where higher participation drives trading volumes and liquidity, which attracts more investors, issuers and intermediaries, while greater scale and data generation support product innovation and lower unit costs.



Peer KPIs

Particulars	Unit	NSE			BSE		
		FY24	FY25	FY26	FY24	FY25	FY26
Operating Metrics							
Unique Registered Investors	# mn	91.8	112.8	129.1	NA	NA	NA
Listed Entities on Exchange	#	2438.0	2719.0	2978.0	5,358	5,616	5,955
Market Cap of Listed Entities	₹ tn	384.2	410.9	411.3	387.0	413.8	411.6
Total AUM – India Passive Funds (Nifty-linked)	₹ tn	6.3	7.6	8.1	1.9	2.2	2.5
Colocation Member Racks	# (full rack equiv.)	934.0	1300.0	1680.0	NA	NA	NA
Nifty Indices	#	388.0	412.0	425.0	NA	NA	203
Trading Metrics							
Average Daily Trading Volume (ADTV)							
Cash market	₹ mn	817,212.9	1,129,632.5	1,055,166.7	66,221.0	77,666.0	79,500.0
Equity futures	₹ mn	1,340,003.4	1,859,014.4	1,594,432.1	876.5	2,071.4	3,422.1
Equity options (premium value)	₹ mn	617,788.4	624,486.6	576,617.5	21,327.3	89,776.5	195,226.9
Equity options (notional value)	₹ mn	323,569,230.4	312,838,244.2	258,284,696.9	34,753,902.0	110,666,741.1	187,153,750.9
Listing Metrics							
No. of IPOs – Mainboard	#	75	79	108	76	79	109
No. of IPOs – SME	#	138	163	111	58	78	146
Total equity raised	₹ tn	2.4	4.5	4.8	2.3	3.0	3.9
Total debt raised	₹ tn	11.4	14.2	15.6	13.9	14.4	12.9
Total fund mobilisation	₹ tn	13.9	18.7	20.3	21.3	25.6	26.9
Finanicail Metrics							
Revenue from operations	₹ mn	147,800.1	171,406.8	166,013.1	13,710.4	29,573.4	48,339.5
— Transaction charges	₹ mn	121,296.4	136,357.6	130,570.1	7,089.7	20,299.3	37,950.0
Cash market	₹ mn	12,359.1	16,885.5	15,546.4	2,595.0	3,018.0	2,495.0
Futures	₹ mn	12,489.8	17,272.6	14,801.0	NA	NA	NA
Options	₹ mn	95,501.9	101,940.3	99,975.7	NA	NA	NA
Mutual Fund	₹ mn	96.9	131.4	180.4	1,281.0	2,307.0	2,852.0
Others	₹ mn	848.7	127.9	66.6	NA	NA	NA
— Listing services	₹ mn	2,226.2	3,138.2	3,524.4	3,497.0	4,900.0	5,190.0
— Data Centre – Rack charges	₹ mn	1,338.1	1,544.0	2,051.8	NA	NA	NA
— Data Connectivity charges	₹ mn	8,247.0	11,044.8	11,287.9	NA	NA	NA
— Data Feed & Terminal services	₹ mn	3,392.6	4,071.3	4,700.7	431.4	504.2	676.3
— Licensing services	₹ mn	975.4	1,205.0	1,518.5	0	240.3	366.1
— Clearing & Settlement services	₹ mn	1,348.1	3,213.4	2,514.5	NA	NA	NA
— Other operating revenue: income on investments	₹ mn	8,120.6	9,572.4	8,416.9	1,840.0	2,177.8	1,714.0
— Others	₹ mn	855.7	1,260.0	1,428.3	852.3	1,451.8	2,443.1
Other income: investment income	₹ mn	15,547.0	19,321.6	19,290.8	1,971.10	2,547.00	2,903.00
Other income: others	₹ mn	173.6	1,039.9	1,829.8	277.3	242.7	238.5
Total Income	₹ mn	163,520.6	191,768.3	187,133.7	15,958.8	32,363.1	51,481.0
PBT (Continuing Ops)	₹ mn	111,842.8	154,747.8	138,955.8	9,922.2	17,482.7	32,991.4
PAT	₹ mn	83,057.4	121,876.9	103,020.6	7,716.6	13,223.2	24,872.5
Operating EBITDA*	₹ mn	98,698.1	126,468.8	110,979.0	3,989.0	14,997.0	30,787.0
Operating EBITDA Margin	%	66.8	73.8	66.9	29	51	64
Operating Profit	₹ mn	94,302.5	121,003.0	104,743.9	NA	NA	NA
Operating Profit Margin	%	63.8	70.6	63.1	NA	NA	NA
Normalised Operating EBITDA	₹ mn	114,424.5	133,170.7	126,559.0	NA	NA	NA
Normalised Operating EBITDA Margin	%	77.4	77.7	76.2	NA	NA	NA
PBT Margin (Continuing Ops)	%	67.6	75.4	69.4	NA	NA	NA
Normalised PBT (Continuing Ops)	₹ mn	126,754.9	149,141.0	141,207.1	NA	NA	NA
Normalised PBT Margin	%	77.0	77.3	75.6	NA	NA	NA
PAT Margin	%	47.1	55.3	51.0	49	41	48
Book Value per Share	₹	96.9	122.6	129.8	244	327	NA
Return on Capital Employed	%	45.5	52.1	42.8	NA	NA	NA
Return on Equity	%	37.4	44.9	33.0	25.9	34.3	45
Treasury Investments	₹ mn	480,164.1	486,307.1	647,712.8	NA	NA	NA
Settlement Obligations Payable & Margin Money	₹ mn	213,271.1	158,798.9	301,466.6	NA	NA	NA
Risk Management Metrics							
Risk Reserve	₹ mn	85,330.0	85,330.0	48,050.0	NA	NA	NA
Core Settlement Guarantee Fund	₹ mn	88,572.4	120,752.5	130,791.5	9,549.6	11,326.0	12,468.3
Investor Protection Fund Trust	₹ mn	19,915.9	24,590.0	28,703.5	NA	NA	NA
IPFT Claim Expenditure	₹ mn	527.7	303.1	220.7	NA	NA	NA
Number of IPFT Claims	#	6,851.0	4,671.0	3,392.0	NA	NA	NA

*impact of new labor law and contribution core SGF is included while calculating

Industry Overview

Growth and Evolution of India's Capital Markets

Expanding Investor Participation

India's capital-market participation has expanded significantly over the past five years, supported by increasing retail participation and wider access to market infrastructure. The number of demat accounts across Indian depositories increased from 55.13 million in March 2021 to 224.51 million in March 2026, reaching 231.55 million by June 2026. Individual investors accounted for 33.10% of NSE's cash-market turnover in the three months ended June 2026, highlighting the growing contribution of retail investors to trading activity. The investor base has also become geographically broader, with NSE's registered investor base reaching 132.37 million as of June 30, 2026, covering more than 99% of Indian postal codes. This expanding investor pool provides a larger base for cash-market transactions and participation in exchange-traded products.

Increasing Institutional Participation and Mutual Fund Penetration

Institutional participation continues to provide depth and liquidity to India's equity markets. Domestic Institutional Investors held approximately 19.60% of the shares of NSE-listed companies as of Q4 FY26, reflecting their significant role in the market. The mutual fund industry has also expanded rapidly, with industry AUM increasing from the levels seen in FY21 to ₹73.73 trillion as of March 2026, representing an 18.60% CAGR between March 2021 and March 2026. SIP contributions increased from ₹960.80 billion in FY21 to ₹3,495.89 billion in FY26, reaching ₹938.50 billion during the three months ended June 2026. Rising mutual-fund penetration provides an additional channel for household savings to enter capital markets and supports sustained demand for listed securities and market infrastructure.

Rapid Growth in Passive Investment Products

The increasing adoption of passive investment products is creating a growing ecosystem around indices, ETFs and index funds. Passive funds represented 18.74% of the Indian mutual fund industry's AUM as of March 2026, compared with a lower share in FY21. Within passive products, index funds have expanded particularly rapidly, with AUM increasing at a 74.19% CAGR between March 2021 and March 2026, reaching ₹3.37 trillion as of June 2026. ETF AUM, including gold and other ETFs, reached ₹11.45 trillion as of June 2026, having increased approximately four times over five years. The expansion of these products is directly relevant to exchange-owned index franchises, as indices serve as benchmarks and underlying references for ETFs, index funds and other financial products.

Equity and Derivatives Markets Driving Exchange Activity

The Indian exchange industry is increasingly characterised by a combination of cash-market and derivatives activity. Equity derivatives, particularly futures and options, provide market participants with instruments for taking market positions and managing exposure to underlying securities and indices. The increasing participation of retail and institutional investors has contributed to the expansion of exchange-traded activity, although trading volumes remain sensitive to market conditions, regulatory changes and transaction costs. For NSE, derivatives represent a particularly important part of its trading ecosystem, while the associated clearing and settlement requirements also create activity for its clearing business.

Rising Capital Formation Supports Listing Activity

India's primary capital markets have also expanded alongside the development of the secondary market. NSE's platform facilitated ₹4.78 trillion of equity raising and ₹15.55 trillion of debt raising during FY26, resulting in total fund mobilisation of ₹20.33 trillion. This compares with total mobilisation of ₹13.86 trillion in FY24. The increasing use of equity and debt markets for capital raising supports the development of the listed securities universe and creates opportunities across the exchange ecosystem, including listing, trading, clearing and market-data services. NSE also operates platforms covering Mainboard, SME and Social Stock Exchange issuers, broadening the types of entities that can access its market infrastructure.

Overall Industry Direction

The Indian capital-market ecosystem is therefore expanding on multiple fronts—a larger investor base, higher institutional and mutual-fund participation, increasing adoption of passive products, deeper derivatives activity and rising primary-market fund mobilisation. These trends are relevant to NSE across its business chain, as growth in the number of investors and listed securities can support trading activity, while derivatives activity supports transaction and clearing volumes; growth in passive investments supports index licensing, and increasing capital formation supports listing-related services.

Industry Overview

Market Infrastructure, Product Expansion & Competitive Landscape

Diversification Across Asset Classes

The Indian exchange industry has expanded beyond traditional cash equities into equity derivatives, currency derivatives, commodity derivatives, debt securities and interest-rate products. At the national level, exchanges operate across equity, derivatives and commodity markets, while debt-market activity includes exchange, OTC and RFQ-based transactions. The commodity-derivatives market has strengthened with improvements in regulation, risk controls and institutional participation, supporting more transparent price discovery. The expansion of these asset classes increases the range of products available to market participants and provides exchanges with additional transaction-volume opportunities.

Growth Opportunities in Newer Market Instruments

Several newer instruments remain at an earlier stage of development and therefore offer scope for further market deepening. These include tri-party repo, securities lending and borrowing (SLB), ETFs, REITs and InvITs. India's ETF AUM, including gold and other ETFs, reached ₹11.45 trillion as of June 2026, having grown approximately four times in five years. REITs and InvITs have also expanded, with five listed REITs having gross AUM of more than ₹2.70 trillion as of March 2026. Such products broaden the securities universe available to investors and create opportunities for exchanges to develop trading, listing and index-linked offerings around emerging asset classes.

Increasing Importance of Technology and Market Connectivity

Technology remains a critical competitive factor in the exchange industry as trading activity increasingly depends on speed, system availability, scalability and connectivity. Exchanges compete on trade execution quality, latency, platform functionality, liquidity and technological innovation. This has also created a market for exchange-provided data-centre and connectivity services, where brokers, institutional investors and high-frequency traders establish physical or virtual links with exchange trading systems. The increasing complexity and speed of market participation therefore make reliable exchange infrastructure an important part of the overall market ecosystem.

Strong Market Concentration and Network Effects

The Indian exchange industry exhibits strong network effects: a larger investor base can support higher trading volumes and liquidity, which can attract additional investors and issuers, while a larger listed universe can further improve market depth and participation. The RHP highlights this relationship as a structural driver of exchange-market growth. NSE has established a leading position across major asset classes; for the three months ended June 2026, it accounted for 93.05% of cash-market turnover, 99.72% of equity-futures turnover and 68.48% of equity-options premium turnover. It also had a 100% market share in exchange-traded currency futures, currency options and interest-rate futures during the period.

Competitive and Regulatory Environment

The exchange industry remains highly competitive across new listings, equities, ETFs, currency derivatives, commodity derivatives, interest-rate futures, bonds, mutual funds, index licensing and data services. Competition comes from other Indian exchanges, global exchanges, alternative trading platforms and OTC service providers. Exchanges compete through pricing, liquidity, execution speed, product breadth, technology and brand strength. At the same time, the industry is subject to extensive SEBI and RBI regulation, with regulatory changes capable of affecting product structures, transaction costs and trading activity. Regulation also supports market integrity, investor confidence and orderly market functioning, which are important for sustained participation and liquidity.

Industry Takeaway

The Indian exchange industry is moving from a predominantly equity-trading ecosystem towards a broader, multi-asset and technology-led market infrastructure. Rising retail and institutional participation supports cash-market volumes, while derivatives remain a major driver of exchange activity. Increasing capital formation supports listing opportunities, growth in passive investments supports index licensing, and greater dependence on electronic trading infrastructure supports data, connectivity and clearing services. For NSE, these trends are relevant across its principal businesses rather than being dependent on a single asset class.

Directors Profile

Name	Designation	Profile
Shri Srinivas Injeti	Chairperson and Public Interest Director	Retired Indian Administrative Services officer of the 1983 batch, with over four decades of experience, including 37.5 years in corporate regulation, financial services, governance and public policy. He holds a Bachelor's degree in Economics from Shri Ram College of Commerce, University of Delhi, and an MBA from Strathclyde Graduate Business School, Scotland. He has served as Union Secretary in the Ministry of Corporate Affairs and has held various positions relating to financial services, corporate regulation and public administration.
Shri Ashishkumar Chauhan	Managing Director and Chief Executive Officer	Holds a B.Tech. in Mechanical Engineering from IIT Bombay and a post-graduate diploma in management from IIM Calcutta. He has previously served as Managing Director and CEO of BSE Limited, President and Group CIO/IT of Reliance Industries Limited, Vice President of NSE and Industrial Finance Officer of IDBI Bank Limited. He is also associated with IIM Calcutta, the University Grants Commission and the University of Allahabad.
Shri Veneet Nayar	Non-Independent Director	Holds a B.Tech. in Mechanical Engineering from Govind Ballabh Pant Krishi Evam Praudyogik Vishwavidyalaya and a post-graduate diploma in business management from XLRI, Jamshedpur. He is the founder and trustee of Sampark Foundation and has previously served as Vice Chairman and CEO of HCL Technologies Limited. He is also the author of *Employees First, Customers Second*.
Prof. G. Sivakumar	Public Interest Director	Holds a B.Tech. in Electrical Engineering and Electronics from IIT Madras, an M.S. in Computer Science from Rensselaer Polytechnic Institute and a Ph.D. in Computer Science from the University of Illinois, Chicago. He is a Professor in the Department of Computer Science and Engineering at IIT Bombay. He has previously served on the boards of NSDL, Clearing Corporation of India and NPCI, and has held technology-related positions with regulatory and financial institutions.
Shri Rajesh Gopinathan	Public Interest Director	Holds a Bachelor's degree in Electrical and Electronics Engineering from Regional Engineering College, Tiruchirappalli, and a post-graduate diploma in management from IIM Ahmedabad. He previously served as Chief Executive Officer and Managing Director of Tata Consultancy Services Limited.
Shri Dinesh Pant	Non-Independent Director	Is an Associate Member of the Institution of Engineers (India), a Fellow Member of the Institute of Actuaries of India, the Institute and Faculty of Actuaries, UK, and the Insurance Institute of India. He holds degrees in Law and Business Administration. He is the Managing Director of Life Insurance Corporation of India and has previously served as Appointed Actuary and Executive Director—Actuarial of LIC, as well as Deputy General Manager and General Manager of Kenindia Assurance Company Limited, Kenya.
Shri P.R. Ramesh	Public Interest Director	He holds a Bachelor's degree in Commerce from Osmania University and is a member of the Institute of Chartered Accountants of India. He leads the Insolvency Research Foundation and serves on the Corporate Governance and Regulatory Affairs Council of CII. He has previously served as Chairman of Deloitte India and on the Deloitte Global and Asia Pacific Boards, and has been associated with various committees of SEBI, RBI, MCA, FICCI, CII and other regulatory bodies.
Shri Viral Mody	Executive Director – Vertical 1	Holds a Bachelor's degree in Computer Engineering from the University of Mumbai. He has been associated with Tata Consultancy Services Limited, NSEIT Limited, where he served as a Senior Manager, and Wipro Technologies. In his current role, he oversees critical operations and the integration of advanced systems to enhance market operations and digital transformation.
Shri Sanjay Shorey	Executive Director – Vertical 2	He holds a Bachelor's degree in Commerce from Osmania University and is a member of the Institute of Chartered Accountants of India. He leads the Insolvency Research Foundation and serves on the Corporate Governance and Regulatory Affairs Council of CII. He has previously served as Chairman of Deloitte India and on the Deloitte Global and Asia Pacific Boards, and has been associated with various committees of SEBI, RBI, MCA, FICCI, CII and other regulatory bodies..

SWOT Analysis

Market Opportunity

- **Rising financialization of household savings** – demat accounts across Indian depositories grew from 55.13 million (Mar'21) to 224.51 million (Mar'26), reaching 231.55 million by Jun'26
- **Surging SIP inflows** – mutual fund SIP contributions rose from ₹960.80 billion (FY21) to ₹3,495.89 billion (FY26); ₹938.50 billion in Q1 FY27 alone
- **Institutional AUM expansion** – mutual fund industry AUM reached ₹82.22 trillion by Jun'26, growing at a ~19.55% CAGR since Jun'21
- **Deep and resilient equity markets** – market cap of NSE-listed entities has grown ~107x over 30 years; India is now the 4th largest equity market globally
- **Strong capital-formation pipeline** – Total Fund Mobilisation of ₹20.33 trillion in FY26; NSE ranked among top 3 exchange groups globally by number of new IPO listings (FY23–FY26)
- **Growing passive/index-linked investing** – AUM linked to Nifty Indices reached ~₹8.95 trillion by Jun'26, a 72.59% share of India's total passive fund AUM
- **Global capital-market access via GIFT City** – NSEIX and NSEIXGA platforms extend NSE's international footprint and offshore investor access

Competitive Strength

- **Market leadership across asset classes** – largest exchange in India by cash market and equity derivatives turnover since Fiscal 2001/2009 respectively; world's largest derivatives exchange by contracts traded for 7 consecutive years
- **Strong network effects from scale** – 132.37 million unique registered investors and rising participation reinforce liquidity, attracting more issuers and intermediaries
- **Trusted brand and first-level regulator role** – pioneered India's first automated screen-based trading (NEAT, 1995); operates as a market supervisor working closely with SEBI and IFSCA
- **Vertically integrated, diversified business model** – spans cash market, derivatives, mutual funds platform, clearing (NCL) and settlement (NSEICC), and listing across Mainboard, EMERGE and SSE
- **Technology built for scale and resilience** – designated Critical Information Infrastructure (CII); microsecond order response times; robust cybersecurity and IT governance framework
- **Consistent scale, profitability and cash generation** – Operating EBITDA* Margin of 66.85% in FY26, enabling self-funded reinvestment
- **Experienced management and governance** – Governing Board with functional-expertise committees and Public Interest Directors overseeing strategy and compliance

*impact of new labor law and contribution core Settlement guarantee fund is included while calculating

Key Risk

- **Revenue tied to trading volumes** – any significant decrease in transaction volume/value could materially hurt revenue and profitability
- **Customer concentration** – top ten trading members contributed 44.48%–47.00% of revenue from operations across recent periods
- **Heavy regulatory oversight** – primarily regulated by SEBI; subject to periodic inspections, enforcement actions and monetary penalties
- **Technology and cybersecurity exposure** – dependent on proprietary IT infrastructure; experienced a distributed denial-of-service (DDoS) attack in 2025
- **Outstanding legal proceedings** – litigation involving the Company, Subsidiaries, Directors and Key Management Personnel remains unresolved
- **Risk management framework limitations** – internal risk management systems and insurance coverage may not always be adequate
- **Reputational risk** – given NSE's public-trust role as an MII, any reputational damage could materially affect the business

Threats

- **Intensifying competition** – risk of losing market share to domestic/global exchanges; interoperability among clearing corporations could reduce clearing volumes
- **Macroeconomic and geopolitical volatility** – India-specific economic, political and social developments could adversely affect operations and results
- **Sovereign credit and currency risk** – any downgrade in India's sovereign rating, or adverse INR/foreign exchange movements, could affect trading price and financial results
- **Regulatory and tax uncertainty** – evolving laws including the new Income Tax Act, 2025, and cross-border restrictions on foreign investment
- **Global financial contagion** – instability in other countries' financial markets could increase volatility in Indian markets
- **Inflationary pressure** – rising inflation in India could increase costs and pressure profitability
- **First-time listing risk** – Equity Shares have never traded publicly; price discovery post-listing may be volatile

Shareholding

NSE does not have an identifiable promoter. Its IPO is entirely an Offer for Sale (OFS) by existing shareholders, with no fresh issue of shares. The table below lists the shareholders selling in the OFS and the maximum number of shares each is offering.

Particulars	Pre Issue		IPO		Post Issue	
	No. of Shares	% Holding	Fresh Issue	OFS	No. of Shares	% Holding
Promoter & Promoter Group	-	-	-	-	-	-
Public						
Life Insurance Corporation of India	26,52,75,000	10.72%			26,52,75,000	10.72%
Aranda Investments (Mauritius) Pte Ltd	11,24,63,356	4.54%		1,12,46,336	10,12,17,020	4.09%
Stock Holding Corporation of India Limited	11,00,00,000	4.44%		6187500	10,38,12,500	4.19%
SBI Capital Markets Limited (SS)	10,72,50,000	4.33%		87,80,590	9,84,69,410	3.98%
Mahagony Limited	9,22,95,000	3.73%		3000000	8,92,95,000	3.61%
State Bank of India	7,98,47,050	3.23%		1,59,69,410	6,38,77,640	2.58%
PI Opportunities Fund I	5,82,00,000	2.35%			5,82,00,000	2.35%
Crown Capital Limited	5,13,55,465	2.07%		58,71,093	4,54,84,372	1.84%
DVI Fund (Mauritius) Limited	4,52,16,215	1.83%			4,52,16,215	1.83%
TIMF Holdings	4,32,30,357	1.75%			4,32,30,357	1.75%
General Insurance Corporation of India	4,07,00,000	1.64%		6187500	3,45,12,500	1.39%
Canada Pension Plan Investment Board	3,95,80,200	1.60%		1,18,74,060	2,77,06,140	1.12%
Radhakishan Shivkishan Damani	3,90,84,400	1.58%			3,90,84,400	1.58%
The New India Assurance Company Ltd.	3,52,00,000	1.42%		1,05,00,000	2,47,00,000	1.00%
The Oriental Insurance Company Limited	3,52,00,000	1.42%		4957000	3,02,43,000	1.22%
National Insurance Company Limited	3,52,00,000	1.42%		40,00,000	3,12,00,000	1.26%
TA Asia Pacific Acquisitions Limited	3,42,66,085	1.38%		2000000	3,22,66,085	1.30%
MS Strategic (Mauritius) Limited	2,97,60,000	1.20%		1,10,00,000	1,87,60,000	0.76%
2726247 Ontario Inc.	2,70,06,430	1.09%		5401286	2,16,05,144	0.87%
Rimco (Mauritius) Limited	2,47,50,000	1.00%			2,47,50,000	1.00%
ICICI Lombard General Insurance Company Limited	2,35,00,000	0.95%		2350000	2,11,50,000	0.85%
Bank of Baroda	2,19,72,500	0.89%		76,90,375	1,42,82,125	0.58%
United India Insurance Company Limited	1,93,90,000	0.78%		6000000	1,33,90,000	0.54%
Indian Bank	83,75,000	0.34%		15,00,000	68,75,000	0.28%
Soach Global Strategic Holdings Ltd.	82,50,000	0.33%		1650000	66,00,000	0.27%
Be-In Eight s.r.l.	5,25,000	0.02%		2,62,500	2,62,500	0.01%
Rajiv Bolla	25,000	0.00%		7500	17,500	0.00%
Shaik Samdani Basha	5,000	0.00%		1,000	4,000	0.00%
Mahesh Gupta	1,000	0.00%		500	500	0.00%
Other Public	1,08,70,76,942	43.92%			1,21,35,13,592	49.03%
Total	**2,47,50,00,000**	**100.00%**		**12,64,36,650**	**2,47,50,00,000**	**100.00%**

Financials (in Rs. Mn)

Income Statement			(Rs in Mn)
Particulars	**FY24**	**FY25**	**FY26**
Revenue from Operation	**147,800.1**	**171,406.8**	**166,013.1**
Regulatory Fees	9,805.7	9,626.5	7,963.5
% Sales	*6.6*	*5.6*	*4.8*
Gross Profit	**137,994.4**	**161,780.3**	**158,049.6**
Gross margin	*93.4*	*94.4*	*95.2*
Other Expenses	21,886.6	32,970.6	45,800.4
EBITDA	**116,107.8**	**128,809.7**	**112,249.2**
EBITDA Margins	*78.6*	*75.1*	*67.6*
Other income	15,720.5	20,361.5	21,120.6
Depreciation	4,395.5	5,465.9	6,235.1
EBIT	**127,432.8**	**143,705.4**	**127,134.7**
EBIT Margins	*86.2*	*83.8*	*76.6*
Share of profit from Associates	*1,005*	*1,289*	*1,082*
Profit Before Exceptional Item	111,028.5	142,653.1	128,210.8
Finance Cost	0.0	0.0	0.0
Profit/Loss before tax	**111,842.8**	**154,747.8**	**138,955.8**
Total Tax expenses	27,778.0	38,690.3	37,160.5
Profit/Loss after tax incl. discontinued Oper.	**83,057.4**	**121,876.9**	**103,020.6**
PAT Margins	*56.2*	*71.1*	*62.1*
Basic EPS	***33.6***	***49.2***	***41.6***

Balance Sheet			(Rs in Mn)
Particulars	**FY24**	**FY25**	**FY26**
ASSETS			
Fixed Assets	10,042.7	11,204.4	11,928.4
Capital WIP	318.9	38.5	1,732.3
Goodwill and other intangible assets	3,195.0	3,016.8	3,001.7
Right to Use Assets	1,684.6	5,308.4	4,211.3
Trade Receivables	18,646.6	15,122.2	24,682.1
Cash	291,286.3	275,142.1	472,448.6
Other Current Assets	10,950.2	14,747.7	15,421.6
Other Assets	*309,990.51*	367,702.4	343,057.2
Total Assets	**654,639.8**	**694,666.4**	**879,374.4**
EQUITY			
Equity Share Capital	495.0	2,475.0	2,475.0
Other Equity	239,243.8	301,058.3	318,660.4
Total Equity	**239,738.8**	**303,533.3**	**321,135.4**
Borrowing & Lease Liability	1,246.3	5,062.1	4,123.9
Other Financial liability	312,442.0	253,691.9	402,627.1
Trade Payables	3,327.5	4,518.8	5,041.0
Other Liabilities	5,619.5	6,246.3	15,512.6
Total Liabilities	**326,328.6**	**270,380.6**	**427,447.5**
Total Equity and Liabilities	**654,639.8**	**694,666.4**	**879,374.4**

Cash Flow Statement			(Rs in Mn)
Particulars	**FY24**	**FY25**	**FY26**
Cash Flow from operating activities			
PBT incl. Discontinued Operations	111,047.0	162,080.5	140,253.2
Depreciation	4,716.4	5,702.1	6,255.2
Operating Profit before WC change	246,084.3	-40,382.7	166,014.7
Cash used in Operations	336,873.9	77,442.5	270,690.8
Tax	-39,431.2	-36,527.6	-32,329.0
Net Cash from Operating	**297,442.8**	**40,914.9**	**238,361.8**
Cash Flow from investing activities			
Capex	-4,703.0	-13,056.9	-17,547.8
Net Cash from Investing	**-84,630.0**	**-54,309.8**	**-458.7**
Cash Flow from financing activities			
Dividend paid	-39,590.0	-44,544.9	-86,616.7
Acquisition of non controlling interest in subsidiary	0.0	-421.2	0.0
Payment of lease liabilities	-229.5	-732.0	-1,068.5
Interest on lease liabilities	-117.4	-229.5	-403.3
Net Cash from Financing	**-39,936.9**	**-45,997.5**	**-88,088.5**
Net increase/(decrease) in Cash	172,875.9	-59,392.4	149,814.6
Cash at the beginning of the year	59,746.5	232,622.4	173,230.0
Cash at the end of the year	**232,622.4**	**173,230.0**	**323,122.4**

Ratio Analysis			
Particulars	**FY24**	**FY25**	**FY26**
Growth (%)			
Revenue	*32.2*	*16.0*	*-3.1*
Gross Profit	*28.9*	*17.2*	*-2.3*
EBITDA	*29.6*	*10.9*	*-12.9*
EBIT	*24.6*	*12.8*	*-11.5*
PAT	*12.9*	*46.7*	*-15.5*
% Of Revenue			
Gross Profit	*93.4*	*94.4*	*95.2*
EBITDA	*78.6*	*75.1*	*67.6*
EBIT	*86.2*	*83.8*	*76.6*
PAT	*56.2*	*71.1*	*62.1*
Return Ratios (%)			
ROCE	45.5	52.1	42.8
ROE	37.4	44.9	33.0
Valuation (x)			
P/E	53.2	36.2	42.9
P/B	18.4	14.6	13.8
EV/EBITDA	35.6	32.2	35.2
P/S	29.9	25.8	26.6
DEBT/EQUITY	0.0	0.0	0.0

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