



National Stock Exchange of India Limited

Q3 FY26 Earnings Conference Call

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MANAGEMENT:

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- SHRI. IAN DE SOUZA – CHIEF FINANCIAL OFFICER**
- SHRI. SRIRAM KRISHNAN – CHIEF BUSINESS DEVELOPMENT OFFICER**
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- SHRI. TIRTHANKAR PATNAIK – CHIEF ECONOMIST**
- SHRI. AMBER GUPTA – HEAD LEGAL**
- SHRIMATI. PRAJAKTA POWLE – COMPANY SECRETARY**

Moderator: Ladies and gentlemen, good day and welcome to the Q3 FY26 Earnings Conference Call hosted by National Stock Exchange of India Limited. 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 “*” and then “0” on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Shri Ian de Souza, CFO of NSEIL. Thank you, and over to you, sir.

Ian de Souza: Thank you, Michelle. Good evening everyone and welcome to NSE's earnings call for the third quarter of FY26 to discuss the results for the quarter and nine months ended 31st December 2025. Please note that this conference call is being recorded and a transcript of the same will be available on our website. Financial results and investor presentation are also available on our website.

Joining us today on this earnings call is the NSE leadership team consisting of Shri Ashishkumar Chauhan, MD and CEO, Shri Sriram Krishnan, Chief Business Development Officer, Shri Shharad Dhakkate, Chief Human Resource Officer, Shri Piyush Chourasia, Chief Regulatory Officer, Shri Somasundaram, Chief Enterprise Risk Officer and Head Business Excellence, Shri Viral Mody, Chief Technology Officer Applications and Development, Shri Mayur Sindhwad, Chief Technology Officer Operations, Shri Sampath Manickam, Chief Technology Officer Technology Infrastructure, Shri Rajesh Thapar, Chief Information Security Officer, Shri Vikram Kothari, Managing Director and CEO NSE Clearing Limited, Shri Aniruddha Chatterjee, Managing Director NSE Indices and NSE Data and Analytics, Shri Balasubramaniam, Managing Director and CEO NSE International Exchange, Shri Neeraj Kulshrestha, Managing Director and CEO NSE IFSC Clearing, Shri Tirthankar Patnaik, Chief Economist, Shri Amber Gupta, Head Legal, Shrimati Prajakta Powle, Company Secretary. We also have other colleagues from Finance, Investor Relations, Secretarial and Corporate Communications.

Please note that the statements made in this call may reflect the company's outlook for the future, which may be construed as a forward-looking statement. Such forward-looking statements must be reviewed in conjunction with the risk that the group faces. The actual performance or events may differ from those in the forward-looking statements as a result of various uncertainties and factors which may be beyond the company's control.

With that, I would now like to hand over the call to Shri Ashishkumar Chauhan, MD and CEO of NSEIL for his remarks. Over to you, sir.

Ashishkumar Chauhan: Thank you, Ian. Good afternoon, everyone. I would like to begin by sharing once again that NSE has received a no-objection certificate from SEBI for the listing of its shares on a recognized stock exchange. We congratulate the NSE family and express our gratitude to all our stakeholders, the Government, the regulator, investors, issuers, intermediaries, employees, partners, and shareholders.

I would like to especially thank SEBI, particularly Chairman, Shri Tuhin Kanta Pandey ji. I also wholeheartedly thank all our shareholders who have supported us and stood with us through these years. NSE was founded on November 27, 1992, and commenced operations in the equity segment on November 3, 1994, on Diwali day. NSE has now completed 33 years since its foundation and 31 years of operations. With this milestone, we are now kickstarting the IPO process.

The Board at its meeting on February 6, 2026, considered and approved undertaking the IPO through the offer for sale by existing shareholders in accordance with applicable laws, subject to receipt of applicable regulatory and other approvals, prevailing market conditions, and other relevant factors. The Governing Board also has approved the constitution of an IPO Committee to facilitate the IPO process.

On the macroeconomic front, India continues to be the fastest growing major economy, with GDP growth for fiscal year 26 projected at 7.4% under the CSO's first advance estimates, led by sustained public expenditures, resilient private consumption, and continued policy support. The Economic Survey has projected India's growth in the range of 6.8–7.2% in FY27, with medium-term growth potential revised higher to 7%.

I would like to congratulate Honourable Prime Minister Shri Narendra Modi ji on the recent trade deals with US and the European Union. These two historic deals strengthen India's global economic position and send a strong signal to international investors about policy stability and growth prospects. This should benefit India across both merchandise trade and services, particularly technology, electronics, and labour-intensive sectors while supporting job opportunities, capital inflows, and the Indian Rupee. Alongside India's recent FTAs with UK, New Zealand, and Oman, these announcements deepen India's integration into the global economic architecture.

In this context, the Union Budget 26, the first budget prepared at Kartavya Bhavan and ninth consecutive budget presented by Honourable Finance Minister Shrimati Nirmala Sitharaman ji, is a confident forward-looking plan to build a future-ready economy. On markets, measures to deepen capital markets and debt markets — corporate bond market-making, stronger liquidity and risk management tools and wider avenues for long-term capital, via REITs and InvITs — are constructive steps.

Incentives for municipal bonds can empower cities to fund urban infrastructure more transparently and efficiently. To further boost GIFT IFSC, the tax reduction window is proposed to be extended to 20 years out of 25 years with post-holiday business income taxed at a concessional 15% tax rate. Steps to widen portfolio participation including greater NRI access can also bring stable long-term capital into Indian equities.

Crucially, the budget pairs ambition with discipline. Fiscal deficit is projected to ease from 4.4% to 4.3%, while debt to GDP is budgeted to decline from 56.1% to 55.6%, anchoring India's growth story in macro stability and creating space for higher productive spending.

Indian capital markets that have now maintained an uptrend for the 10th consecutive year, underpinned by robust domestic institutional and retail participation, should benefit from these macro tailwinds. The Nifty 50 rose 10.5% in 2025, translating into a 12.9% annualized return over the past 25 years, well above both developed and emerging market benchmarks. With a market capitalization of USD 5.3 trillion as of December 31, 2025, India remains the world's fourth largest equity market after US, China, and Japan.

Unique registered investors at NSE crossed 12.5 crore, adding 1.6 crore new investors during the year. Investor base has grown at a 29% CAGR over past five years, with the share of investors from states beyond the top 10 rising from 20% in FY20 to 27% by December 2025. Investor accounts (unique client codes) at NSE surpassed 24 crore in November 2025 with the latest 1 crore addition in a little over three months.

Total fund mobilization at NSE in current year in calendar year 2025 stood at a record INR 19.6 lakh crore, rising 10% YoY. Equity mobilization was INR 4.5 lakh crore, while debt mobilization was about INR 15 lakh crore. NSE remains amongst the leading global platforms for IPOs with 220 IPOs at NSE in 2025 mobilizing INR 1.8 lakh crore.

A key priority for us is to deepen India's corporate bond market because deepening debt is a national financing necessity. We are working closely with SEBI and the market participants to expand public debt issuances, strengthen secondary market liquidity and benchmarks, and build a credible scalable ecosystem for long duration capital.

In a significant decision, the governing board of NSE on February 6, 2026, approved incorporation of a wholly owned subsidiary for setting up a coal exchange with capital infusion of up to INR 100 crore, subject to regulatory approvals. We are also looking at strategic collaboration with Indian Gas Exchange to develop and launch Indian

natural gas futures; a landmark initiative aimed at strengthening India's natural gas market ecosystem.

This collaboration brings together NSE's deep expertise in derivatives market and IGX's leadership in spot natural gas trading, price discovery and physical market development to create a futures product that is relevant, liquid and trusted by the entire gas value chain. In energy markets, NSE's monthly electricity futures launched in July 2025 have seen over 4.3 lakh lots traded by December 2025 with turnover exceeding INR 8,124 crore and over 73% market share.

During the quarter, Care Ratings in collaboration with NSE pilot launched PaRRVA, an initiative conceptualized by SEBI to strengthen transparency, standardization and investor confidence in performance-related disclosures. The pilot was inaugurated by SEBI Chairman Shri Tuhin Kanta Pandey ji on December 8, 2025. NSE is supporting this initiative through the PaRRVA data center, PDC, enabling authenticated market data for robust risk and return verification.

As India progresses towards increased participation in global economic leadership and towards Viksit Bharat by 2047, NSE remains committed to play an enabling role through fund mobilization, capital formation, wealth creation, job creation and empowering every Indian to participate in the nation's growth story with trust and confidence.

With this overview, I would like to hand over the call to my colleagues, CFO, Shri Ian de Souza; and CBDO, Shri Sriram Krishnan who will discuss the financial and operational performance in further detail. Over to you, Ian.

Ian de Souza:

Thank you, sir. I will now cover the financial performance for the third quarter of financial year 2026. NSE's consolidated total income for Q3 FY26 was at INR 4,395 crore, up sequentially 6%. This sequential increase in total income was primarily on account of an increase in average traded volumes across both cash market and derivative segment, along with a strong growth in listing services income.

Income from transaction charges was up by 9% QoQ to report at INR 3,033 crore. Revenue from listing services increased by 25% sequentially to INR 111 crore, led by a higher number of large listings in Q3 FY26. Non-operating investment income in Q3 FY26 was INR 458 crore. On a consolidated basis, total expenditure reported for Q3 FY26 stood at INR 1,234 crore.

In Q3 FY26, NSE had recognized at a consolidated level one-time provision for gratuity amounting to INR 126 crore due to changes mandated by the new Labor Codes.

Regulatory fees that constitute 17% of total expenditure were up by 9% sequentially due to an increase in notional turnover in equity option segment.

The operating EBITDA margin in Q3 FY26 stood at 73%. Excluding one-offs, the normalized consolidated profit before tax increased by 6% QoQ to report at INR 3,325 crore. Normalized operating EBITDA margin in Q3 FY 26 stood at 76%, which was in line with the previous quarter.

On a consolidated basis, profit after tax for Q3 FY26 stood at INR 2,408 crore, up 15% sequentially. The PAT margin was 54% and the earnings per share on a non-annualized basis was INR 9.73 per share. For the nine months ended 31st December 2025, consolidated total income was INR 13,354 crore with profit after tax at INR 7,431 crore; and the earnings per share on a non-annualized basis was INR 30.02 per share.

As regards NSE's standalone financial performance, total income for Q3FY26 increased 21% sequentially to INR 4,419 crore, primarily on account of dividend received from subsidiaries as well as sequential improvement in trading volumes. Standalone revenue from operations increased 8% to report at INR 3,522 crore. Revenue from transaction charges increased 9% QoQ to report at INR 3,006 crore and constitute 68% of total income.

For the nine months ended 31st December 2025, total income on a standalone basis stood at INR 12,327 crore and reported standalone profit after tax was INR 6,869 crore.

I will now cover a few facts on key subsidiary companies for the nine months ended 31st December 2025. NSE Clearing reported a total income of INR 1,484 crore and a profit after tax of INR 778 crore. NSE Data and Analytics Limited reported a consolidated income of INR 374 crore and a PAT of INR 134 crore.

NSE Indices that provide services including creation and maintenance of all Nifty branded indices reported a total income of INR 139 crore and a PAT of INR 81 crore. NSE IFSC Limited reported a total income of INR 101 crore and a profit after tax of INR 4 crore.

With this overview, let me hand over the call to my colleague Shri Sriram Krishnan, Chief Business Development Officer of NSE, who will take you through the operational performance of the company and key business parameters. Thank you. Sriram, Over to you.

Sriram Krishnan:

Thank you, Ian. Good evening, everyone. I will discuss the trends and highlights across our key products and business segments. Let me begin with the listing services segment. NSE continues to strengthen its role as a central engine of capital formation, efficiently channelling household savings into productive investments and remains the exchange of choice for Indian corporates across equity and debt markets.

During the December quarter, a total of INR 5.4 lakh crore was raised via equity, debt and business trusts on the NSE platform. Equity market saw a sharp pickup in activity in Q3 FY26, with 65 companies raising INR 96,457 crore through the main board and SME IPOs, which is nearly double the amount raised in the previous quarter and the highest in the past four quarters.

NSE Emerge continued to play a critical role in supporting smaller enterprises, facilitating capital raising of INR 4,556 crore by 94 SMEs in nine months of FY26. As of the 31st December 2025, a total of 704 companies were listed on the platform, underscoring its importance in enabling SME growth and market integration.

Further, a total of INR 3.5 lakh crore of funds were mobilized through debt instruments, which is CPs and NCDs in Q3FY26, taking cumulative mobilization in the first nine months of FY26 to INR 11.2 lakh crore, up 9% YoY. Our electronic bidding platform facilitated primary market bond issuances worth INR 3.12 lakh crore in the first nine months of FY26 and INR 1.14 lakh crore during Q3.

There is a clear acceleration in the number of municipal corporations leveraging capital markets to raise resources through municipal bonds. In FY26 so far (till the 8th Feb'26), 10 municipal corporations have collectively raised nearly INR 1,306.85 crore across nine issuances, the highest number of municipal bond issuances recorded in any financial year since the introduction of SEBI's municipal bond regulations in 2015.

Green bond issuance too accelerated in FY26 with nearly INR 2,070 crore raised at NSE so far, well above INR 825 crore in FY25. Issuances in Q3 included Surat Municipal Corporation, INR 200 crore, and Muthoot Capital Services, INR 150 crore, highlighting rising momentum in sustainable finance.

Let me now cover NSE's domestic rankings and market leadership across product segments NSE continues to retain its strong position. In Q3 FY26, NSE's market share stood at 92.8% in the equity cash market and 91.2% in equity derivatives i.e. F&O segment based on turnover. In the debt segment, NSE's electronic bidding platform (EBP) and Request for Quote platform (RFQ) have emerged as pivotal enablers of transparent, efficient and competitive price discovery in primary and secondary markets respectively.

NSE maintained its leadership with market share of 96% in the RFQ segment, 83% in CBRICS, 100% in the tri-party repo segment, and 59% in electronic bidding platform (EBP) during Q3 FY26.

Now let's turn towards trading activity and new product launches. In Q3 FY26, the exchange witnessed a sequential increase in average daily turnover across the cash market, equity futures and option segments. The average daily volumes in cash market segment were up 3% sequentially while that in equity futures and option segments were up 8% and 15% respectively on a sequential QoQ basis.

Activity in the debt segment remained robust too. The RFQ platform with more than 2 lakh trades in December 2025 recorded the highest number of transactions on a monthly basis. Similarly, the tri-party repo segment witnessed the record monthly value monthly traded value of INR 76,850 crore in December. Online bond platform providers or OBPPs also gained further traction, registering a record 9.98 lakh gross trades in Q3 FY26.

In commodities, crude oil options continue to scale up meaningfully with average daily traded quantity rising 22.7% YoY to 8.45 billion barrels in Q3 FY26. In the latter part of Q3 FY26, NSE implemented a revision to the expiry day of crude oil options responding proactively to market participant feedback. This adjustment resulted in a remarkable 200% surge in average daily traded quantity, demonstrating heightened engagement and improved contract participation following the change.

Finally, the monthly electricity futures launched on 14th July 2025 continue to gain momentum. During Q3 FY26, 1,84,033 contracts were traded with turnover of INR 3,124 crore. Since inception through December 2025, total traded volume reached 4,41,990 contracts with cumulative turnover of close to INR 8,200 crore, reinforcing the contract's growing acceptance as a hedging and price discovery instrument in India's power markets.

NSE continues to advance the social stock exchange by strengthening the institutional and market ecosystem required for credible social impact fundraising with a 100% share in project listings, including two joint listings and 155 registrations so far, out of which 77 are active, NSE continues to lead in this segment.

NSE continues to prioritize investor education, protection and market integrity while strengthening the foundations of a transparent, resilient and inclusive capital market framework. The exchange conducted 16,370 programs in the first nine months of the fiscal year 2026, which is more than three times the level in the same period of FY25, with over 8.5 lakh participants attending these programs.

Grassroots outreach was strengthened through partnerships, including programs for working women and civic staff under an MoU with key foundations and private sector companies. NSE also participated as a speaker in SEBI Ministry of Panchayati Raj programs across Pune, Ranchi and Dehradun.

Reflecting the focus on investor protection, the corpus of the NSE Investor Protection Fund Trust stood at INR 2,787 crore as of December 31, 2025, up 8% YoY. The core Settlement Guarantee Fund or SGF value stood at INR 12,786 crore, up 10% YoY.

Over the past three decades, India's capital markets have evolved significantly, supported by NSE's role in enhancing transparency, efficiency and trust. Looking ahead, NSE remains focused on working closely with regulators, issuers and intermediaries to broaden access, deepen capital formation and direct savings towards productive uses.

With this, let me now hand over the call back to the operator for the Q&A session.

Moderator: Thank you very much, sir. We will now begin the question and answer session. The first question is from the line of Prayesh Jain from Motilal Oswal Financial Services Limited. Please go ahead.

Prayesh Jain: Good evening, sir. Firstly, let me congratulate on the getting the SEBI NOC for the IPO. I have a couple of questions. First question is with respect to, what are the pending settlements that have to be taken, into account, and also what are the pending settlements which would be there for us, for the IPO to go through?

Secondly, you also interestingly mentioned about a commodity scale up from the crude oil standpoint. I would like to hear your thoughts on how well can you scale-up commodity and what are the plans out there? Yes, those would be my two questions. Thank you, sir.

Ian de Souza: So, in terms of the colocation and dark fibre settlements that we had applied for in June'25, in the last quarter we had said that we had made a provision of close to INR 1,297 crore because we had already provided for INR 100 crore two years ago in our financial statements. So totally we are carrying a provision of around INR 1,400 crore in our financials. So that is what we have provided for, and I guess that answers your first question.

Prayesh Jain: Anything pending on that?

Ian de Souza: As of now, we have provided for whatever is to our knowledge.

Sriram Krishnan : So, on the commodity scale up, like I mentioned earlier, crude oil options are scaling up meaningfully for us with the average daily traded quantity rising almost 23% YoY from, you know a small number last year to 8.45 billion barrels in Q3 FY26. In the latter part of Q3 FY26, roughly around December, we went live with a new expiry day for crude oil options, which is something that we undertook in line with market feedback, and that change has resulted in a 200% surge in average daily traded quantity. So, I think, in the subsequent expiries we will hopefully see greater buildup in crude oil volumes going by the trend we have seen in the last two expiries.

Prayesh Jain: Are we adding any more products on commodity?

Ashishkumar Chauhan : Yes, so commodities include the electricity futures where we are market leaders. Government has also announced the coupling part. We are also going to launch the natural gas at Indian prices, for which we have now got the approval, and we have tied up with the Indian Gas Exchange Limited. We've also got approval for Brent crude contract and 10-gram gold as well. So, we are going to launch some of these products soon.

Prayesh Jain: Got it. Thank you so much, sir.

Moderator: Thank you. The next question is from the line of Mohit from Centrum. Please go ahead.

Mohit Mangal: Yes, sir. So, my first question is towards the co-location revenue growth. So, it remained flat YoY in Q3 despite we adding a lot of racks. So, what is the reason for this and how should we look at this in the future quarters?

Ian de Souza: So, in the quarter we saw sequential increase of around INR 5 crore in terms of revenue from rack rentals led by higher number of racks, but we saw a dip in terms of connectivity charges. So, connectivity charges depend on the member's requirement in terms of the number of lines that they require and the bandwidth they require. So, there was a slight dip in terms of connectivity charges. But as we go ahead, we believe that this will increase as we provision more racks and the connectivity requirement increases.

Mohit Mangal: Okay. That's helpful. So, my second question is towards the operating investment income, that declined by around 16% YoY in Q3. So, what could be the reason for that?

Ian de Souza : A lot of the operating investment income is at the consolidated level relating to our subsidiary NCL, which is our clearing corporation. So, we've seen some volatility in that income from flexi fixed deposits, that has resulted in a lower income. So purely market volatility because those flexi fixed deposits are determined by that.

Mohit Mangal: Understood. That's helpful. My last question is towards the new regulation that will start from May 5th, which says that, you know, the SEBI has tightened the norms for single stock derivatives by withdrawing the calendar margin benefits. So, what could be the impact on our volumes for this?

Sriram Krishnan: It's a tough question because, we won't be able to comment. However, there is a lot of discussion going on and representations being made by broker associations to the regulators. However, the regulators are taking these steps keeping the interest of small investors in mind. And that's, something that they want to make sure. So, the arguments that are presented to the regulator include the fact that, you know, the number of small investors participating in single stock options and futures in particular is very, very small and has also come down in the last one year since the reforms have started getting implemented. But it remains to be seen what the regulators make in terms of final decision and the way forward.

Mohit: ok that's very helpful thank you and wish you all the best.

Moderator: Thank you. Ladies and Gentleman in order to ensure that the management will be able to address questions from all the participants in the conference kindly limit your question to only one per participant. Should you have a follow up question, please rejoin the queue. We'll take the next question from the line of Devesh Agarwal from IIFL Capital. Please go ahead.

Devesh Agarwal: Yes, good afternoon, sir. Thank you for the opportunity. Firstly, again, congratulations to you and the entire team for securing all the approvals and initiating the IPO process. My one question, sir, would be, we have seen that the equity derivatives volumes have kind of grown faster than the equity cash market and the sense that we also get from what we hear from the regulators and the government that they would prefer to see a higher liquidity in the equity cash market. So, what can be done, sir, to improve the liquidity on the cash side?

Sriram Krishnan: Ideally the way to approach this will be to look at the STT component for cash market vis-a-vis what is applicable for futures and options. Many people in the market were expecting that there could be a slight reduction in STT for cash market in the Union Budget, but that did not happen.

On the contrary, we've seen a small hike in both futures and options STT. So, I think the other option through which the cash market can be energized and greater liquidity and depth be created is by making the securities lending and borrowing framework much more amenable to the market participants. SEBI has set up a working group for reviewing the current securities lending and borrowing proposition and we are quite

confident that the measures that they will announce subsequently will help deepen the cash market volumes.

Devesh Agarwal: Right, sir. Thank you so much and all the very best.

Moderator: Thank you. The next question is from the line of Amit Chandra from HDFC Securities. Please go ahead.

Amit Chandra: Yes, sir. Thanks for the opportunity. Sir, my first question is on the SGF contribution, obviously we have a large pool of SGF and the contribution that we're making for the last, like, two, three quarters has been very minimal. So till what level of volumes, we don't see any incremental SGF contribution coming in? And also, in context to the recent consultation paper by SEBI for the commodity segment where we have seen some relaxation in terms of the SGF rules, in terms of the computation which will bring down the SGF requirements for the industry. So, is it applicable, or can we see, like similar thing in equity and can we assume that the SGF that we have is will actually support higher volumes?

Vikram Kothari: So currently, if you look at the overall SGF across all the segments, as Sriram pointed out earlier, it's about INR 12,786 crore that we have. Specifically, if you look at futures and options, currently it's about INR 12,000 crore, which is available as SGF for futures and options segment.

Again, one key factor is that SGF requirement gets more determined by the positions, open positions rather than trade volumes per se. And just to state that if we compute on a monthly basis, we compute our exact minimum risk capital required vis-a-vis what we have; and we are fairly sufficiently placed currently with enough headroom over there with respect to the SGF that is available for the respective segments.

Amit Chandra: Okay. And sir in terms of obviously we have options as the highest contributor, but apart from options revenue, which segments you see to be the top contributor in terms of revenues, or which are the most promising ones in the next two years, three years that you see can have higher growth? And also, in terms of co-location, which was supposed to be a high growth segment has actually pulled off there. But in the last call, we have said that we are scaling up from 1,200 racks to 1,800 racks. So where we are in that journey, and you know, what's the plan out there?

Sriram Krishnan: As far as India is concerned, the market requires a lot of diversification in the available products. So, we have applied for approvals for corporate bond index derivatives and government bond index derivatives. We believe that this these two products, as and when they are approved will help significantly, in expanding the product range and creating a new set of products which will be of great value to market participants.

We are also, as mentioned previously, launching a few products in commodities which again is a very small segment from an overall standpoint. So, commodities also there is a lot of scope for the market to grow bigger than what it is currently. We also hope that the securities lending and borrowing product will become a much bigger product after the working group submits its report and the reforms are announced by SEBI.

So, securities lending and borrowing if it becomes an active product, then cash market will also become a much more vibrant and busy than what we have seen in the last couple of years. So, these are some exciting things to look forward to. Also, the listing momentum is important. We have seen a good number of companies getting listed in both calendar year 2024 and 2025.

And if the listing momentum continues and the level of participation of retail investors continues to grow, then we will see much more variation in terms of available product range. The specialized investment funds framework which SEBI had announced, and which has been witnessing a lot of activity in recent months where asset managers are launching these products; that's also a space to watch out for as that is a new product which is sitting right between the traditional mutual fund and the PMS. So, there are quite a few developments on a variety of areas.

Amit Chandra:

And sir, on the on the co-location part?

Sriram Krishnan:

See on the co-location part, the comment that you make regarding drop in interest, etcetera is, I think based on the reforms that have been going on and therefore members are taking a wait-and-watch approach, but we are very confident that in the long term, India is a very attractive market which will be a fast-growing market and therefore there will be demand for good quality derivatives products, which means that increasing participation based on technology will automatically push up the demand for co-location racks.

So we continue to watch that space and based on the demand, we can continue to build additional racks. As of now, we are rack surplus for the past several months, which is a big change from the scarcity situation that we used to have, but also, we can see many players getting ready to come to India and participate in the Indian capital markets.

Ashishkumar Chauhan :

And for your information, we are going to have 1,800 racks by end of Q4FY26. We already have 1,600 plus member racks. We are also increasing the electricity rating from 6 KVA to 15 KVA per rack in all the new racks so that people with better power servers; can use it. And, of course, once that retail algo comes in, probably there'll be much more requirement, but we will continue to add the racks as and when required.

We have a capability to go up to 4,000 plus racks within our current building, so we have a good headroom to grow. And last year at this time, probably we were into 1,200 racks. Today, we are already talking about 1,800 racks in next few months.

Amit Chandra: Okay, sir. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Supratim Dutta from Jefferies. Please go ahead.

Supratim Datta: Hi. Sir, thanks a lot for the opportunity. My first question is on the stock futures side. We have seen the STT there go up by around 3x in this budget. So just wanted to understand what kind of impact are you expecting in that segment, given you are market leaders there? So that would be the first question.

And the second question, I just wanted to understand on the new products on the equity derivative side, is there an opportunity to introduce any new products on the equity derivative side, be it on the stock options or index options side? Thank you. That's all.

Sriram Krishnan: Yes. So, you know, you're absolutely right. The increase in STT is seen as a negative for the index futures and stock futures, single stock futures in particular, because futures are generally seen as genuine instruments for hedging by long-term investors. They are not the instrument of choice for those who are traders as such because of the cost involved in hedging via futures. Therefore, a lot of representations are being made to the government to see if this can be reviewed or reconsidered. We are hopeful that some review might be undertaken on this one. It's very difficult for us to predict what could be the extent of impact on futures volumes because of this, because in the past we have seen increase in STT rates from time to time, but we haven't seen any significant negative impact on the volumes. And so, you know, it is also possible that the volume gets absorbed by the market participants. So, while it's difficult to comment, we are also hopeful that the extent of the hike can possibly be reviewed.

Supratim Datta: Got it. So, anything on the new product side on the equity derivative?

Sriram Krishnan: So we are waiting and still reviewing the best next set of products for equity derivatives. This is a function of how many weekly expiries might be permitted going forward and a number of other parameters. So we are still exploring this space.

Supratim Datta: Okay, sir. Thank you.

Moderator: Thank you. We'll take the next question from the line of Sanketh Godha with Avendus Spark. Please go ahead.

Sanketh Godha: Yes, thank you. Thank you for the opportunity, sir. Sir, my question is regarding the way crude you changed the expiry days to see a traction in the volume. Given gold and silver are doing lot of traction in the commodity market, any thoughts there were any change in the expiry days can lead to increase in the volume in gold and silver and probably help us to gain a bit of market share there? So that's my first question.

And second, sir, on co-location, the numbers suggest that there is a marginal decline in the rental income on QoQ basis. Has the utilization levels in the colo racks have come down compared to the previous quarter due to maybe lower participation or one of the large clients which we all know has not being allowed to trade in India? Has that played a role. Just if you can give color on that thing, it will be useful?

Ashishkumar Chauhan : No, colo rental has not declined as pointed out. What has declined is the connectivity charges. Connectivity charges have undergone change because, earlier it used to be on monthly basis. Now, we allow people different dates on which they can have higher connectivity rates vis-a-vis lower connectivity rates, and that has reduced their cost, but it ends up increasing our volumes which helps us in the actual transaction charges on the other side. And that is basically the flexibility given to the members which actually has increased the volumes you might have seen. So it's actually complementary rather than a competing thing you might have thought about. And other part was on silver and gold. We plan to continue to experiment like what we did with the oil contract in terms of the expiry date. But we also plan to have new contracts on the Indian natural gas pricing with the Indian Gas Exchange which I mentioned earlier and few other contracts. We also of course have plans to do spot coal exchange which will later on potentially lead to the futures and options in coal and so on and so forth. So, it's basically some of these are very long-term opportunities.

Sanketh Goda: Understood, sir. Thanks. That answers my questions.

Moderator: Thank you. The next question is from the line of Apoorv Bandi from Whitestone PMS. Please go ahead.

Apoorv Bandi: Yes. Hi, sir. Thank you for the opportunity. So, my question is on, can you throw some light on the coal exchange which we are planning for, like in terms of what is the market size and what we would be doing in that space?

Ashishkumar Chauhan: Coal exchange, I mean, India is a coal using country for power production. And it's going to remain similar for some time to come. It remains to be seen how the market develops because it's at a conceptual stage, but we have seen spot markets in the gas and also electricity doing very well. And this is basically part of the energy basket that

the Government of India is keen to set up this coal exchange and we are supporting that initiative.

Apoorv Bandi: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Dharmil Shah from Dalmus Capital Management. Please go ahead.

Dharmil Shah: Hi. Thank you for taking my question. My first question is on the competitive intensity. So already other exchange, BSE is taking away market share in the option segment with every month passing by, and another exchange is already planning to launch products in cash and derivative markets. So, there is a rise in the competitive intensity from existing players and the new players as well. This is the first question.

And just relating to this, how do you see 5 years from now, 5 to 10 years from now the overall landscape in the options that a trader would have? I mean, would it be more diversified across exchanges or would it still be very dominating in nature with very few exchanges taking away the majority market share?

And second would be on the, more on the market trends and I appreciate that you are introducing products on the commodity side. But at the end every trader has very limited funds to invest, I mean with his own funds or through margins. Do you think this increase in commodity would be a cannibalizing to equity derivatives and cash market to some extent?

Ashishkumar Chauhan : See, these are interesting questions. But basically, on commodity cannibalizing, it's already happening on other exchanges. But broadly, evenings is where the equities don't trade yet. And so in evenings the same margins which are there on NSE can be used for the commodities, which probably you have not taken into account in your kind of sort of calculation. In terms of the competition taking market share, now broadly that cycle is over, in terms of the equities derivatives, but in bond derivatives it has been announced index bond derivatives that were announced by Honourable Finance Minister in the budget. NSE is ready as and when it's approved. NSE naturally will have a larger sort of gap available in terms of launching its new products there also and in all other areas, NSE has been gaining market share. In fact many new markets that have come up in bonds, in repos, in OBPP, that is online bond platforms, and many other areas where NSE is pretty much above 90%-95% market share including in IPO and even in mutual funds now NSE is gaining rapid market share.

So effectively you seem to be basically looking at one side of the spectrum making up your mind. In terms of how many exchanges there should be is a question to ask to

the policy makers rather than us. We of course would want to have sort of more regulated highly regulated few markets, but that's again up to the regulators.

In RFQ segment we have 83% market share, in CBRICS 100% market share on the primary debt issuance and electronic bidding platform we have 59% market share from 41% (in Q2) and in cash market our market share as equities market we have gone up to 93% now in last quarter and so on and so forth. So somewhere I think sometimes we see only what we want to see, but there is much larger spectrum to see overall.

Dharmil Shah: Understood, yes. Thank you so much for answering my questions.

Moderator: Thank you. The next question is from the line of Aman Dugar from Nuvama Wealth. Please go ahead.

Aman Dugar: Hi team, congratulations on a great set of numbers. I just have one question on the listed charges line item. So, we see that the listed companies have grown at around 8% YoY and 1.5% QoQ, but your listed charges have grown significantly higher at 12% and 26%. So how should we make sense of the same?

Ashishkumar Chauhan: See, what happens is we have two types of charges. One is the listing fees which is consistent, that is annual listing fee, so each year the company has to pay listing fees. So that remains broadly the same, because the issued capital remains the same in almost all companies barring few times and so that will continue and then there is a small portion which is taken as the fees for book building, and that's what is the variable part. So, what you're seeing in terms of the increase, is basically the book building part because there have been large number of IPOs as well as the large IPOs that have happened in last few years, especially last year with ICICI AMC, Lenskart, LG, Tata Capital in the last quarter itself and that's why, you see that portion giving that fillip. But there is a consistently, I mean consistent and stable portion of the listing fees which is basically the annual listing fees, and that's what so you can see in Q3 FY '26. We had listing fees which is consistent was INR 44 crore and the processing fees was INR 16 crore and book building fees was INR 51 crore vis-a-vis INR 30 crore in Q2 FY26.

So literally the jump is actually in the book building fees and not elsewhere, right. And that would be true in many such areas. So many times, the components are not known to you, so you may end up thinking that everything goes up just because new companies list.

Aman Dugar: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Ansuman Deb from ICICI Securities. Please go ahead.

Ansuman Deb: Yes, good evening and thanks for the opportunity. So yes, I mean, in the sense, we do, we have seen significant surge in new segments in terms of, and you spoken about a lot of new segments like coal, electricity derivatives, natural gas and bond. If you could give any strategic kind of thought in the sense that, beyond the equities we have now a sizeable portfolio of segments, which can be the number one, two, three in terms of in terms of likelihood, in terms of the revenue or earnings in the next three to five years, which you think can be the most kind of amenable to coming as earnings eventually.

Ashishkumar Chauhan: See, broadly in these kind of markets, you keep on investing for long term and then suddenly they go up. So, life happens very slowly for years, and then suddenly in few weeks things go differently. Right. So, it's very difficult for us sitting here to predict. You are more at liberty to predict anything, but we can't, right. But broadly we'll continue to invest and hope that all of them bloom. And of course, NSE will remain number one, hopefully in all these segments going forward.

Ansuman Deb: Sure, sir. Yes, I understand, sir. But because we have done very good in electricity derivatives and obviously, we have also started launching this commodity products and gaining share in an opportune time, because commodity volatility is high around the world. Would you incline to say that in terms of commodity as a segment, can it be a much bigger contributor in the next three years?

Ashishkumar Chauhan: I mean, I would say it's a prediction which you have made, and we would want to support it. But we currently do not have knowledge of what will happen in future.

Ansuman Deb: Sure, sir. Thanks a lot. Thank you.

Moderator: Ladies and gentlemen, that was the last question for today, I would now like to hand the conference over to Shri Ian de Souza for closing comments. Thank you, and over to you, sir.

Ian de Souza: Thank you everyone for joining us in today's call. It has been a quite an interactive session today and if you have any further questions, you can reach out to the IR team, and we can discuss with you offline. Thank you very much and have a great evening ahead.

Moderator: Thank you, members of the management. On behalf of National Stock Exchange of India Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.