



NSE

National Stock Exchange of India Limited

One stop shop for all asset classes

Equity | Debt | Currency | Commodity



The India Opportunity



\$3.3 Trillion GDP*

Expected GDP growth rate of 6.3%#



\$4.74 Trillion

Market Capitalization



US\$ 806 Billion

FPI Assets Under Management



US\$ 617 Billion

Foreign Exchange Reserves



US\$ 655 Billion

FDI Assets Under Management



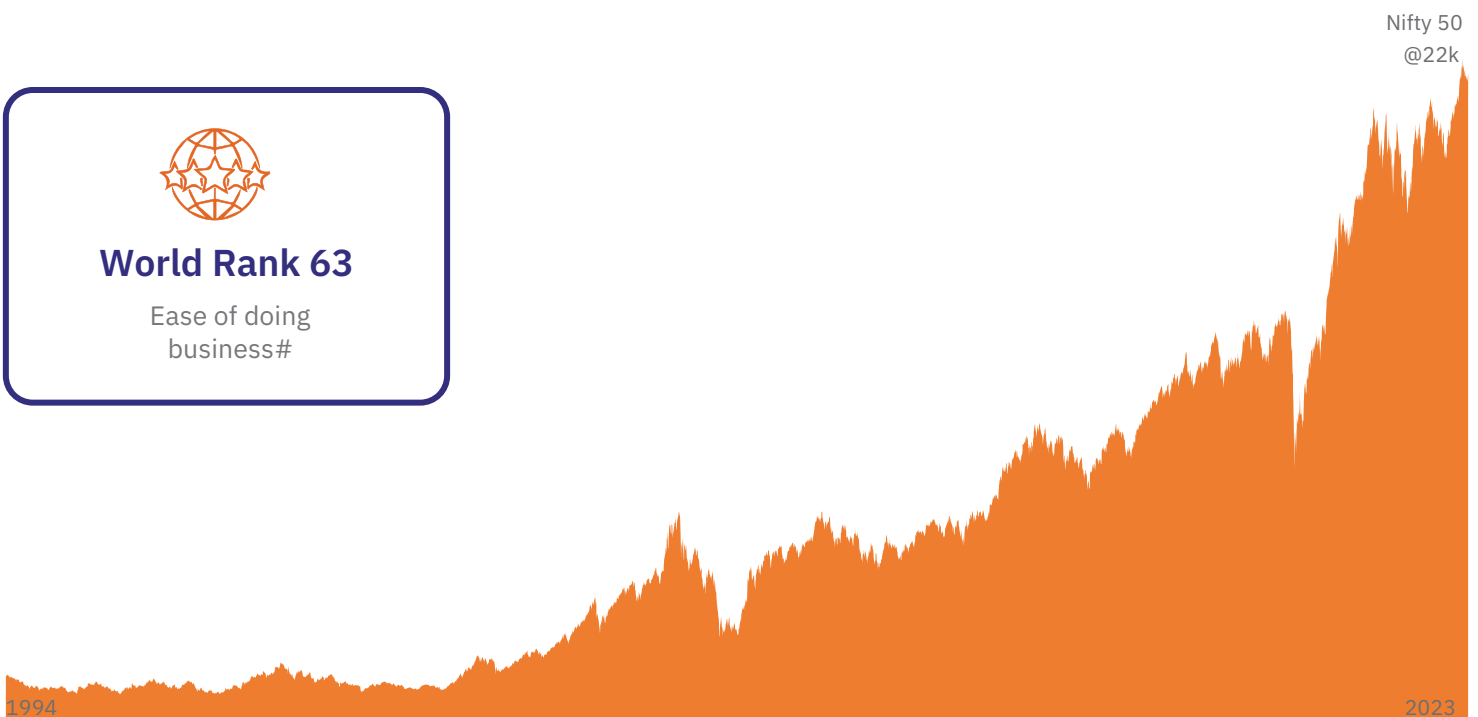
US\$ 633 Billions

Domestic Mutual Funds Assets under Management



World Rank 63

Ease of doing business#

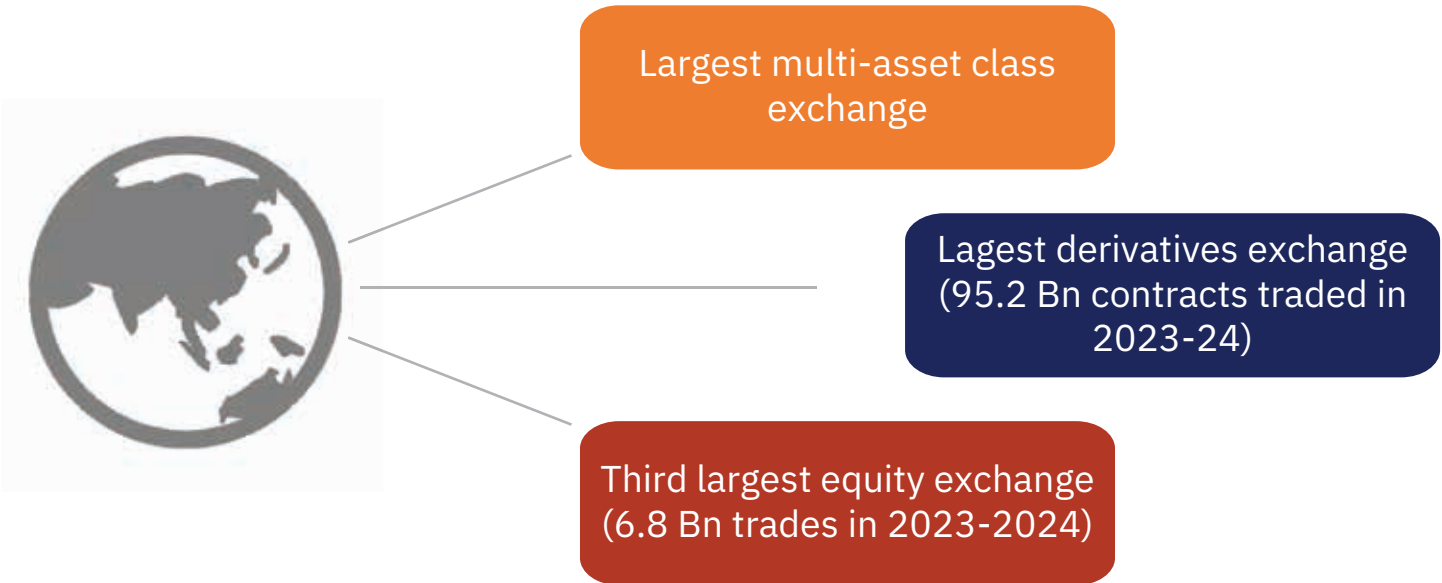


#<https://www.imf.org/en/Countries/IND>

##<https://www.moodys.com/credit-ratings/India-Government-of-credit-rating-401564?lang=en&cy=emea>

*GDP as per 2022 World Bank

NSE footprints: NSE at Glance



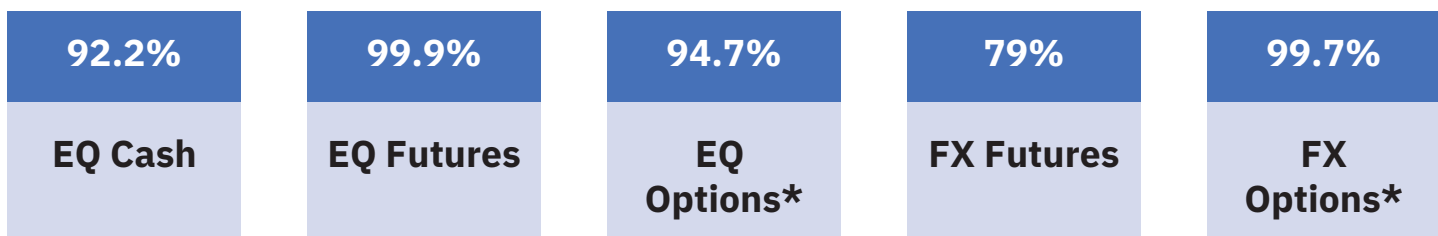
*Source: Bloomberg

\$ 817.8 Bn volume traded on NSE during 2023-24

1303	Trading Members
4450	Listed Companies
99.85%+	Pin codes covered of 19,300 Pin codes
60	Countries from where FPIs are registered
140Mn+	Demat accounts
US\$77Bn	Global passive AUM tracking nifty indices*

*Includes domestic and global AUM. As of January 31st, 2024

Rolling 3M Share(%)**

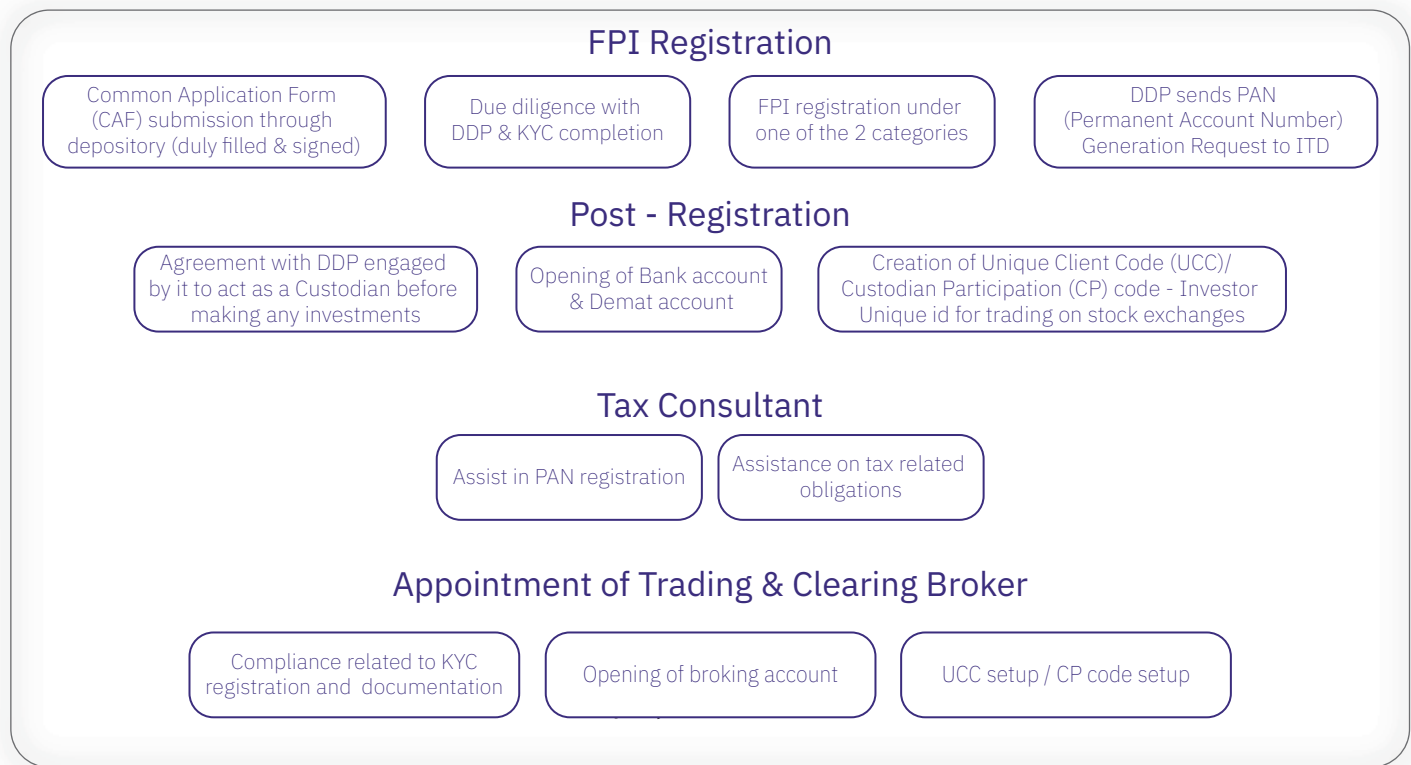


Based on premium turnover
As of January 31st, 2024



Route to India

Foreign Portfolio Investment (FPI)



The above representation is on a broader level only. Please refer related guidelines for full information

FPI Category I	<ul style="list-style-type: none"> Government and Government related investors such as central banks, sovereign wealth funds, international or multilateral organizations or agencies Pension funds and university funds Appropriately regulated entities such as insurance or reinsurance entities, banks, asset management companies, investment managers, investment advisors, portfolio managers, broker dealers and swap dealers Entities from the Financial Action Task Force (FATF) member countries which are- appropriately regulated funds/ unregulated funds whose investment manager is appropriately regulated and registered as a Category I foreign portfolio investor, provided fulfilment of few clauses. An entity (A) whose investment manager is from the FATF member country and such an investment manager is registered as a Category I foreign portfolio investor; or (B) which is at least seventy-five per cent owned, directly or indirectly by another entity, eligible under sub-clause 2,3,4 of above of this regulation and such an eligible entity is from a FATF member country
FPI Category II	<ul style="list-style-type: none"> Appropriately regulated funds not eligible as Category-I foreign portfolio investor Endowments and foundations Charitable organisations Corporate bodies Family offices Individuals Appropriately regulated entities investing on behalf of their client, as per conditions specified by the Board from time to time Unregulated funds in the form of limited partnership and trusts

Access to India for US Clients

- First Indian stock exchange to receive Part 30 exemption Order (“the Order”), granted by the Commodity Future Trading Commission (“CFTC”) under CFTC Regulation 30.10, on May 17, 2018.
- This permits NSE members who are not registered with the CFTC as future commission merchants (“FCMs”) to carry accounts as “exempt FCMs” to trade in future contracts listed on NSE for the U.S. customer upon compliance with certain requirements and conditions as set forth in the Order.
- Currently CFTC No-Action letter has been issued for NIFTY Index contracts.
- Access to NIFTY Futures, Narrow Based Derivatives (SSF and Index Futures) in the likes of NIFTY Bank etc. for U.S. customer.
- NSE has also obtained U.S. Security Exchange Commission (SEC) class relief for NSE index derivatives options contracts available for trading (NIFTY & NIFTY BANK).



Framework for Investments

Position Limits*

Products	FPI Category I	FPI Category II (other than FPIs in sub-category individuals, family offices, corporates)	FPI Category II (individuals, family offices, and corporates)
Equity	The purchase of equity shares of each company by a single FPI or an investor group shall be below 10% of the total issued capital of the company		
Index Derivatives	Higher of INR 5 bn or 15% of the total OI in the market- on Index for Futures & Options separately. In addition, hedge positions permitted	Higher of INR 3 bn or 10% of the total OI in the market- on Index for Futures & Options separately	Higher of INR 1 bn or 5% of the total OI in the market- on Index for Futures & Options separately
Stock Derivatives	20% of MWPL	10% of MWPL	5% of MWPL
Currency Derivatives	Gross open position across all contracts - higher of 15% of the OI or USD 100 mn / EUR 50 mn / GBP 50mn / JPY 2000 mn		Gross open position across all contracts higher of 6% of OI or USD 20 mn/ EUR 10 mn / GBP 10 mn / JPY 400 mn
	<ul style="list-style-type: none"> Long as well as short position upto USD 100 mn for FCY-INR pairs (USDINR, EURINR, GBPINR & JPYINR) across all Exchanges without having to establish existence of underlying exposure. Long positions permitted in excess of above specified limits based on underlying exposure in Indian debt / equity securities or units of equity / debt mutual funds FPIs are permitted to participate in Cross Currency Derivatives (EURUSD, GBPUSD & USDJPY) within permissible position limits without any underlying exposure. 		
Interest Rate Derivatives	Position limits for 8-11 year bucket- 10% of Open Interest or INR 12 bn whichever is higher	Position limits for 8-11 year bucket- 3% of Open Interest or INR 4 bn whichever is higher	
	Position limits across all contracts within other maturity buckets- 10% of Open Interest or INR 6 bn whichever is higher	Position limits each for 4-8 and 11-15 years bucket- 3% of Open Interest or INR 2 bn whichever is higher	
<ul style="list-style-type: none"> Separate limit of INR 50 bn for FPIs for taking long position in IRF No FPI can acquire net long position in excess of INR 18 bn at any point of time in IRF The total gross short (sold) position of each FPI in interest rate derivatives shall not exceed its long position in the government securities and in IRF at any point in time 			
Commodity Derivatives	May participate in eligible ETCs as 'Clients' – Position limits shall be at par with limits presently applicable for clients		20% of the client level position limit in a particular commodity derivatives contract, shall be applicable.

Source:

April 29, 2024 Consolidated Circular - F&O Segment of NCL Futures & Options NCL/CMPT/61801

April 29, 2024 Consolidated Circular - Currency Derivatives Segment of NCL Currency Derivatives NCL/CD/61802

OI = Open Interest; PL = Position Limit; MWPL = Market-wide Position Limit; Gsec = Government Securities; Corp Bonds – Corporate Bonds

*Latest FPI Regulation @ Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 [Last amended on August 10, 2023

*Latest Operating Guidelines @ SEBI Circular No.: IMD/FPI&C/CIR/P/2019/124

*Participation of FPI in commodity Derivatives – SEBI Circular No: SEBI/HO/MRD/MRD-RAC-1/P/CIR/2022/131

Collaterals Permitted

Cash | Government Securities | Corp Bonds | Foreign AAA Sovereign securities

Margin & Settlement Obligation

Equity	<ul style="list-style-type: none"> FPIs margined on a T+1 basis FPIs who are Corporate bodies, Individuals or Family offices are margined on an upfront basis FPIs are under obligation to settle all trades by delivery
F&O, CDS, IRF & SLBM Commodity Derivatives	<ul style="list-style-type: none"> All categories of FPIs are margined on an upfront basis



NSE's Backbone

NSE Clearing Ltd - Robust Risk Management benefitting Investors

- NSE Clearing Ltd (NCL) is a recognized as a Qualified Central Counterparty (QCCP) and systemically important market infrastructure institution in securities market regulated by SEBI.
- NCL has maintained a credit rating of "AAA" from CRISIL since 2008.
- Consistent settlement cycles since inception.
- On-line, real-time, upfront, client level margins.
- Real-time monitoring of exposure.
- Margin alerts to members & automatic stop of trading facility on breaching limits.
- Availability of cross margin facility between Equity, Equity Derivatives & ETF's.
- Acceptance of collaterals like Cash, Government Securities & Corporate Bonds from FPI's.
- Test of robustness - Extreme market movements handled without any defaults.
- Segment specific Settlement Guarantee Fund.
- Well defined default waterfall mechanism.
- Committed to the adoption and implementation of the principles "Principles for Financial Market Infrastructure" (PFMIs) issued by the CPMI and IOSCO.
- Interoperability framework between clearing corporations for Equity, Futures & Options and Currency Derivatives.
- T+1 settlement cycle implemented for trades done in Equity Segment and expiry day physical settlement in Equity Derivatives Segment. Upon expiry of stock derivatives, settlement is netted in Equity and Equity Derivatives segment

Guaranteed Settlement	Minimal counterparty risk	Greater market confidence
Novation	Landmark Achievement in Indian financial market	
Multilateral Netting	Efficient use of capital	Reduction in settlement instructions and transaction cost

Technology

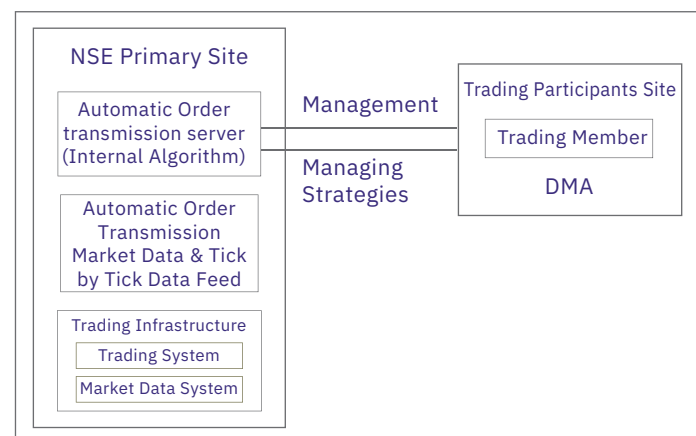
- Technology developed in-house with associate companies and partners to design and build the platform.
- Load balancing capability to handle scalability.
- 24*5 Operations - 5 Data centres across 3 Cities.
- Nationwide reach via high resiliency high bandwidth IP backbone infrastructure.
- Processing about 10 billion messages in a trading day.
- NSE has been certified for ISO 27017:2015

Co-location Facility

- Exchange hosting servers to provide low latency connectivity.
- Backup restore facility (optional).
- Order Connectivity and market data connectivity provided on 10 Gbps network port.
- Facility can be physically accessed 24*7.

Multi-layered Service System

- Pivotal role in market advocacy.
- Specialised Team to serve our Institutional Members and Clients.
- A nation wide CRM Team to serve our members in general.
- Consistent joint efforts with members to reach, engage and develop clients.
- Nation wide Investor Awareness Programs for retail investors in large numbers.
- Training sessions for students to introduce the concept of saving & investing at an early age.
- Certification courses & tie ups with educational institutions to create a professional workforce for the industry.



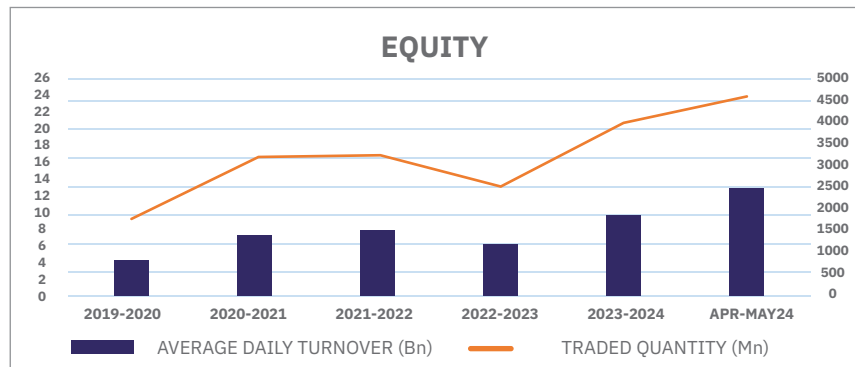
NSE's Product Offering

Equities offers Exchange Traded Funds

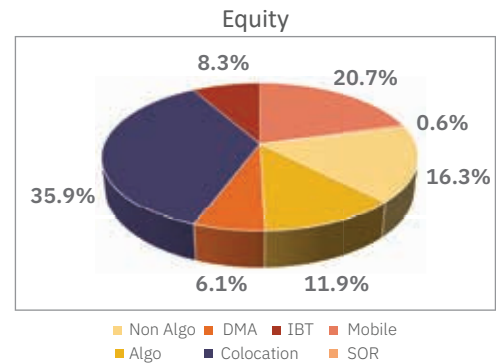
Equity: NSE offers trading in 2300 + securities with the total market capitalisation of approx. USD 4.8 Tn as on April 2024.

Exchange Traded Fund (ETF): Currently around 202 ETFs are traded on NSE with exposure to equity indices, debt and commodities.

Equity Graph

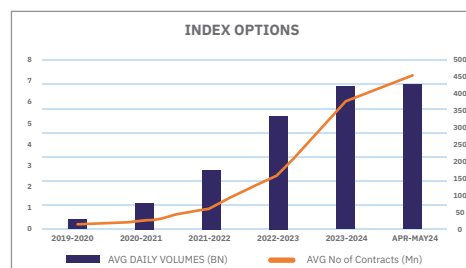
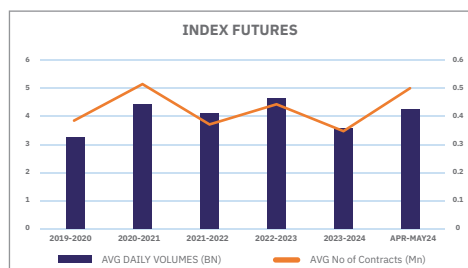


Several modes of trading – (FY25 TD)

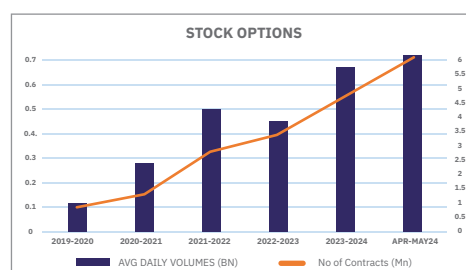
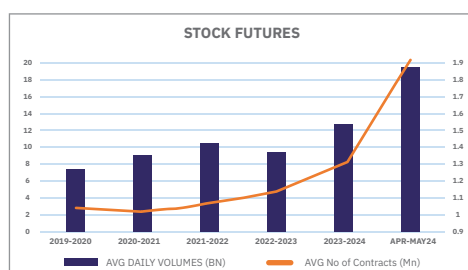
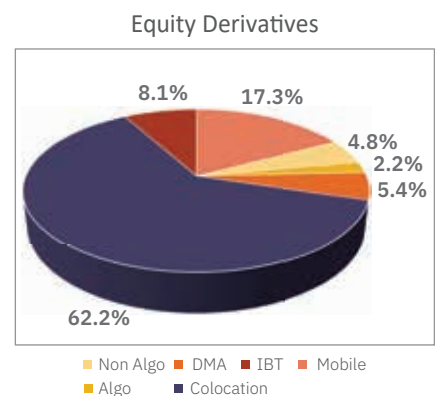


Equity Derivatives

Parameters	Stock Derivatives	Index Futures					Index Options				
	Underlying	182 securities	NIFTY	BANKNIFTY	FINNIFTY	MIDCPNIFTY	NEXT50	NIFTY	BANKNIFTY	FINNIFTY	MIDCPNIFTY
Expiry	Thursdays	Wednesday	Tuesday	Monday	Friday	Thursdays	Wednesday	Tuesday	Monday	Friday	
Trading Cycle	3 consecutive monthly contracts					4 weekly contracts, 3 consecutive monthly contracts, 3 Qtrly (Mar, Jun, Sep & Dec) and 8 semi-annual contracts up to 5 years	4 weekly contracts, 3 consecutive monthly contracts, 3 Qtrly (Mar, Jun, Sep & Dec)	4weekly contracts, 3 consecutive monthly contracts		3 consecutive monthly contracts	



Several modes of trading – (Avg. CY 23)



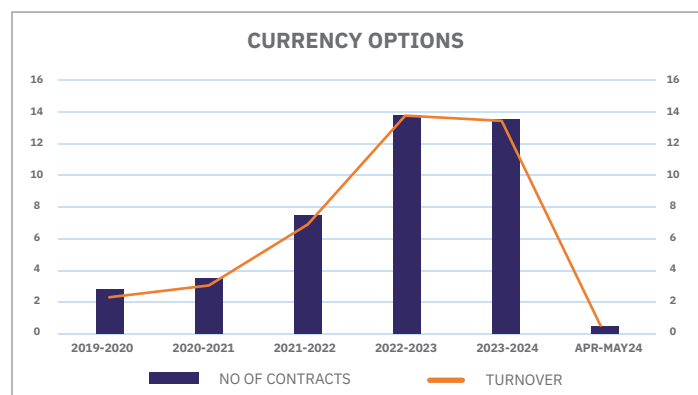
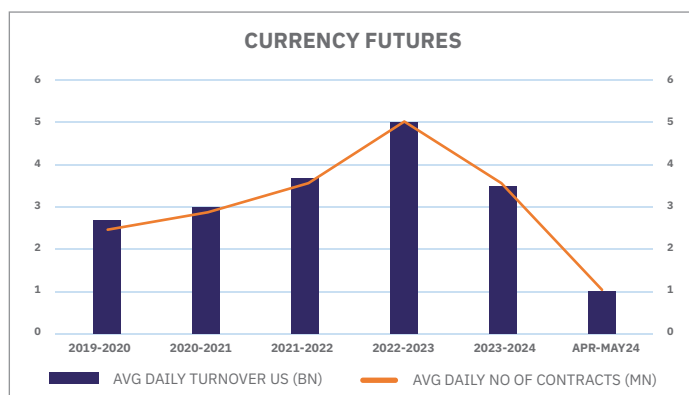
Premium values considered for options volume



Currency & Interest Rate Derivatives

- RBI has permitted FII/FPIs to access Exchange traded Currency Derivatives w.e.f. June 27, 2014
- Futures & Options on cross currency pairs (EUR-USD, GBP - USD & USD - JPY) are also available for trading

Parameter	Currency Futures				Currency Options				Interest Rate Derivatives
Underlying	USDINR	EURINR	GBPINR	JPYINR	USDINR	EURINR	GBPINR	JPYINR	Futures on GOI securities with maturities from 4 to 15 years and Options on GOI securities with maturity of 10 years
Unit of trading	USD 1000	EUR 1000	GBP 1000	YEN 100000	USD 1000	EUR 1000	GBP 1000	YEN 100000	
Trading Cycle	11 weekly 12 monthly				11 weekly, 3 monthly & 3 quarterly contracts				3 monthly & 3 quarterly contracts
Expiry Day	Two working days prior to the last business day of the expiry month at 12:30 pm								Last Thursday of the month
	For weekly options- Friday								



Commodity Derivatives

- Market Hours: Monday to Friday 09:00 am to 11:30 pm/11:55 pm* (*based on US daylight saving time period)
- In Sept. 2022, SEBI has permitted FPIs to participate in cash settled non-agricultural commodity derivative contracts and indices comprising such non-agricultural commodities
- Delivery based and cash settled commodity futures contracts are available for trading on NSE's commodity derivatives segment
- Available products – Futures on WTI Crude Oil, Natural Gas, Gold, Silver, Copper, Aluminum, Lead, Nickel, Zinc. We also have Options on Futures for Gold, Silver, WTI Crude Oil, Natural Gas, Copper and Zinc.

About NSE

National Stock Exchange of India (NSE) is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for CY 2022. NSE is ranked 3rd in the world in the cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for CY 2022. NSE was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology.

Disclaimer

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National Stock Exchange of India Ltd.

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