

**Headline:** We're continuously benchmarking against global standards

**Source:** Business Line

**Date:** 27 November 2015

# 'We're continuously benchmarking against global standards'

**K RAGHAVENDRA RAO**

Mumbai, November 26

India's largest stock exchange NSE is all geared for changing regulations, such as truncation of timeline from close of issue to listing to 6 days from 12 days, says Chitra Ramkrishna, its MD & CEO. In an interview to *BusinessLine*, she outlines the way NSE is going forward on issues, such as increasing compliance cost and cyber attacks, among others. *Edited excerpts:*

**You are the number one stock exchange in India by far. What next?**

Our markets have to be taken to a greater number of savers. For this we need simple products with mass outreach. The step taken to allow EPFO in equities is a great move. We have to make products, such as exchange-traded funds (ETFs) more embracing.

We have multi assets under the exchange. We are no longer a pure equity player and cater to different segments and have fixed income and currency products for our various small and medium enterprises/corporate cus-

currency risk. That is our *raison d'être* as an exchange. We have consciously gone out to make this product accessible to SMEs as it is a challenge in the over-the-counter market.

We have strategy indices for large institutions and use of Nifty and its family of indices across the border is another way of getting institutional interest into India.

**What is the way forward for NSE's SME platform Emerge?**

Emerge is the showcase for the stars of tomorrow. We engaged in this space for three years to hear the voice of the customer. We found that these firms were diverse in capabilities, diverse in their ability to raise capital, and diverse in their customer base.

At one end of the spectrum we have family-owned businesses which are profit making and at the other end companies which are cutting edge in terms of technology/global quality and serving sophisticated customers and having global best practices.

We felt, let's start with those

get the capital and the branding.

When we go out to meet companies for Emerge we do not go out with the mandate of getting them listed.

If the need is there, we do it. Emerge will be

rizon.

The path we travelled is the right path as we have good rock-solid companies. My measurement will only come from (this question), three years from now does Emerge stand for the new investee companies of India?

**You had three big glitches including Emkay Global on October 5, 2012.**

**How are you planning to deal with it?**

First and foremost none of these were are glitches. Whenever there is an exceptional element in the market we tend to think it is a glitch. But actually the system

to work.

There would have been some policy implications—for example, the regulator and the exchange came out with revised guidelines, tightened controls, so on and so forth.

This is always work-in-progress. When ever there is such an incident there is tightening of parameters. We may have things that we learnt from each of these incidents.

**Compliance cost for intermediaries has been going up steadily. Your take...**

World over compliance costs are increasing. Every regulator is concerned and this is not unique to India. The question is how to make compliance easier. We are doing three things—holding sem-

ees of compliance department in brokerage houses, automating and standardising compliance and trying to avoid duplication and multiple submissions.

**When is NSE's operation in GIFT city likely to take off?**

The MoU is done and work is on. Things are under preparation/planning stage. It is, however, not yet ready to kick off.

**What are your readiness levels in case of cyber attacks?**

Technology today has to be versatile to handle both speed and performance besides robustness and resilience of the ecosystem. Significant time is spent on that. We are continuously benchmarking against international standards and have increased the number of internal audits.

**How geared are you to implement the T+6 day deadline for public issues?**

SEBI always holds dialogues and discussions with all concerned before implementing any policy. We had a headstart even as the policy was announced.

THE  
BL  
INTERVIEW



*Emerge is the showcase for the stars of tomorrow. When we go out to meet companies for Emerge we do not go out with the mandate of getting them listed. If the need is there, we do it.*

**CHITRA RAMKRISHNA**  
MD & CEO, NSE