Headline: 'Made in India, for India, by Indians'	
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'MADE IN INDIA, FOR INDIA, BY INDIANS'

As a country's economic activity gains momentum, the role of leading stock exchanges becomes crucial and inevitable. ***Chitra Ramkrishna, MD & CEO, National Stock Exchange,*** converses with ***Saikat Mitra*** about the exchange's role in India's growth story.

As the country's leading stock exchange, what role is the National Stock Exchange seeking to play in bringing investments into India?

In its 20 years of existence, the exchange has attracted a huge amount of participation from all, including investors from abroad. Our understanding is that investment can only grow manifold as India is an attractive destination.

The Indian government under Prime Minister Narendra Modi is pressing heavily on programmes like 'Make in India' and 'Digital India'. What will be the role of NSE in support of the PM's vision?

The hallmark of a new age exchange is its trading system. We have recently upgraded our system. There are certain challenges for upgrading a complex structure like ours. Now, the complete load has been transferred to new systems, which are routinely processing a higher number of messages faster. The system has been highly appreciated by market participants. One of the most unique features of this endeavour has been that right from the beginning to end, complete conceptualisation, planning, architecture, development and implementation has been done with the teams based within India, while keeping in mind aspects like high throughput handling, reliability and cost optimisation among others. It is truly a project that has been made in India, for India and by Indians.

The stock exchanges have always provided a platform for start-ups and SMEs to raise interest-free capital for their business. Could you please elaborate the role of exchange now as the number of IPOs have increased?

For any growing economy, small and medium enterprises play a key role. Emerge-NSE SME (Small and Medium Enterprises) is a separate platform launched for emerging corporates to raise capital from institutional investors. Started in 2014 -15, the platform is helping companies to raise capital and facilitating exit to willing angel fund providers. Emerge-ITP – an Institutional Trading Platform for SME securities – was made available with effect from April 25, 2014. With an average initial public offer size in the SME segment being around ₹5 crore, the segment is growing fast.

In the light of the global economic environment, how prepared are the Indian markets to receive foreign investments?

India is ever growing. The country has so much to offer. Today, most of the global investors believe in our market. Fortunately, the overall safety network of our system has prevented us from any major meltdown as compared to other destinations. In short, with a low systematic risk and with the sheer size of our economy and the market, I think India will remain attractive for all.

Could you please comment upon the role of the retail investors in this growth tale for India Inc.?

Retail participation is a function of many things. When we say that we want domestic savings to come into the market, we primarily try to make them participate in what NSE offers in the ever-growing financial asset segment. For the first-time savers entering the market, we have a wider product basket now. Mutual funds and exchange traded funds (ETFs) are some of the broad-based passive and active investment vehicles into which a saver can comfortably put his/her money. They are small ticket products that an investor does not have to monitor all the time. In fact, this is the reason for ETFs to have taken off in a big way in many other countries.

Our passion for ETFs is 10 years old. We started with Nifty ETF and I am glad to say that in the last 15-18 months we have seen a kink in the curve in terms of real growth story in ETFs. At one point in time, only Nifty ETFs and gold ETFs were preferred, but now we have found the kink in the curve with CPSE ETF. Today CPSE ETF, Nifty ETF and Bank ETF are all getting good retail interest. It tells us that such products – with inbuilt SIP flavour – are the right kind of vehicle for an investor to come long-term into the market. Today, we have a billion-dollar-plus ETF AUM, which is a very significant number as compared to where we were a year or two ago. With more such instruments coming up, the segment can only grow from here.