

Headline: NSE shares will continue to be a sought-after asset

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CHITRA RAMAKRISHNA/NSE

NSE shares will continue to be a sought-after asset

BY LATHA VENKATESH
CNBC-TV18

The National Stock Exchange has set up a committee that will carve out the steps for its proposed listing. There is visible interest in NSE shares from investors, says managing director and chief executive officer Chitra Ramkrishna. Edited excerpts from an interview:

The big announcement that was made last week in terms of NSE listing—could you give us a rough valuation? The last deal that was done by IFCI and that pegs the valuation of NSE around ₹17,000 crore. Also, what are the timelines you are looking at in terms of this listing?

Last week, we had a communique where we have constituted a listing community and that is anyway going to take forward the road map in terms of how we will move ahead and perhaps it would be inappropriate for me to pre-empt that.

Any idea about when it will happen and also which exchange will it happen on; foreign listing is not



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IPO plans: Chitra Ramkrishna.

INTERVIEW

allowed, so it would be some Indian listing... or would you wait for the rules to change to permit a foreign listing? Any further thoughts?

My board and management have always said we are very

much embarked on the path of listing and it is now for us to carve out the next step. We have to do it in the way in which we can monetise the value for our shareholders in the best possible way. Therefore, the process that we are following right now is one of engagement, bringing everyone's views on board through the listing committee. So we must perhaps wait for that to unfold.

The other point about NSE shares is that they are bringing a lot of value to the shareholders, many of them are banks and they have been told for capital raising reasons to sell what are called non-core assets. Are there enough buyers? I mean if a bunch of banks came to sell what is called non-core assets, is there enough appetite from other institutions to buy these shares [of NSE]?

Sitting at the exchange, we have interesting people coming in, walking the corridors. As an exchange we have brought a lot of value, we will continue to do that and therefore, we will continue to be sought-after as an asset. So, I have no doubt on that score.

Any kind of cooling off in terms of charges coming in from NSE?

Two things are very important for me to share. First, our charges have consistently come down over the last decade or more. In fact we are a fraction of what we started. The second most important point that I want to draw your attention to is exchange charges are an insignificant proportion of the total cost of a transaction.

Full Interview

On listing course, NSE chief says exchange is 'sought-after'

Chitra Ramkrishna, MD & CEO of NSE says that it has constituted a listing committee for the body.

National Stock Exchange (NSE) today said it has constituted a listing committee for the body. Chitra Ramkrishna, MD & CEO of NSE says that the committee will carve out steps for the listing.

There has been visible interest in NSE shares from investors, she says.

NSE, which already deals in currency, could look at commodities. "As far as commodities go, we are all waiting to see how the rules will unfold and there are already entities in the group that are in the space," she says.

Below is the verbatim transcript of Chitra Ramkrishna's interview with Latha Venkatesh & Nigel D'Souza on CNBC-TV18.

Nigel: The big announcement that was made last week in terms of National Stock Exchange (NSE) listing. Could you give us a rough valuation, the last deal that was done by IFCI; it pegs the valuation of NSE around Rs 17,000 crore. Could you correct us and also what are the timelines you are looking at in terms of this listing?

A: Last week we had a communique where we have constituted a listing committee and that is anyway going to take forward the roadmap in terms of how we will move ahead and perhaps it would be inappropriate for me to pre-empt that.

Latha: Any idea about when it will happen and also which exchange will it happen, foreign listing not allowed, so it would be some Indian listing or would you wait for rules to change to permit a foreign listing, any further thoughts that you can give us?

A: My board and management have always said, we are very much embarked on the path of listing and it is now for us to carve out the next step. We have to do it in the way in which we can monetise the value for our shareholders in the best possible way. Therefore, the process that we are following right now is one of engagement, bringing everyone's views on board through the listing committee. So we must perhaps wait for that to unfold.

Latha: The other point about NSE shares is that they are bringing a lot of value to the shareholders, many of them are banks and they have been told for capital raising reasons to sell what are called non-core assets. Are there enough buyers? I mean if a bunch of banks came to sell what is called non-core assets, is there enough appetite from other institutions to buy these shares [of NSE]?

A: Sitting at the exchange, practically every month we have interested people coming in, walking the corridors. As an exchange we have brought a lot of value, we will continue to do that and therefore, we will continue to be sought-after as an asset. So, I have no doubt on that score.

Nigel: Any kind of cooling off in terms of charges coming in from NSE?

A: Two things are very important for me to share. First, our charges have consistently come down over the last decade or more, in fact we are a fraction of what we started. The second most important point that I want to draw your attention to is exchange charges are insignificant proportion of the total cost of a transaction.

Latha: The commodities regulator has now moved into Sebi and expectations are that way more range of products will come in, it will become an extremely professionally traded segment as well commodities, any thoughts in that area by yourself, with your subsidiaries in the commodity space, currency space?

A: Currency is something that we are already doing. As far as commodities go, we are all waiting to see how the rules will unfold and there are already entities in the group that are in the space. So as the rules become clearer, we will probably take a call on what is most efficient and optimal for the group.
