

20th May, 2014

Press Release

Ashish Chauhan and BSE wins Best Managed Financial Derivative Exchange of the Year 2014

Australia's ASX and Hong Kong's HKEx were among key exchanges picked out for a one-in-three year assessment of the leadership and management capabilities of financial derivative exchanges in the Asia Pacific region.

- BSE recorded consistent financial performance through cost control despite reduction in transaction charges.
- Maintained new product innovation and development through the launch of equity, currency and interest rate derivatives.
- Secured 30% derivatives market share within 3 years.
- Award presented by Paul Chow, former CEO of HKEx

Kuala Lumpur, Malaysia, May 20th 2014 – BSE under the leadership of Ashish Chauhan was named the winner of the Best Managed Financial Derivative Exchange of the Year at the prestigious Asian Banker Leadership Achievement Awards held at the Grand Hyatt in Kuala Lumpur on May 20th 2014.

The award was presented to Ashish Chauhan by Paul Chow, former CEO of the HKEx. Also present were Mahatir Mohamad, the former Prime Minister of Malaysia, and Jan Peter Balkenende, former Prime Minister of the Netherlands.

BSE showed adequate financial performance for the years under review. The reduction in transaction fees, a critical component of operating income, has posed a challenge in meeting their desired profitability goals. However, under Chauhan's leadership, BSE has managed to secure a market leadership position of 30% in India's derivatives' space within a short 3 year time frame. Chauhan's strategy is focused on increasing trade volumes via the Liquidity Enhancement Incentive Programme (LEIP) that is accompanied by low transaction fees.

Chauhan has overseen the adoption of India's fastest trading system with an execution speed of 200 microseconds. In addition, he has also been responsible for revamping BSE from a single asset class to a multi-asset class exchange. Part of his strategic vision has included encouraging listing of small to medium sized enterprises, BSE SME, as well as identifying new lines of revenue for the bourse. Chauhan also built a strong and dynamic management team that is equally capable in applying financial markets technology and has supported his business development goals for greater automation.

Chauhan has over 23 years of experience in financial markets and technology. He became BSE's deputy CEO in 2009 and assumed the office of MD & CEO in November 2012.

The Financial Markets Leadership Awards 2014 Programme
Winner's List

CEO Leadership and Best Managed Financial Derivative Exchange in the Asia Pacific
Bombay Stock Exchange Limited

CEO Leadership and Best Managed Brokerage House in the Asia Pacific
Ho Chi Minh City Securities Corp.

Best Managed Stock Exchange in the Asia Pacific
Australian Securities Exchange (ASX)

Best Managed Clearing House in the Asia Pacific
ASX Clearing Corporation

(End of List)

The press releases for each leadership award winners are being issued separately.

Photographs of the awards presentation are attached with this press release.

About The Asian Banker

The Asian Banker is the foremost provider of strategic intelligence and data to the financial services community. The company collects and publishes data on the performance of banks in the Asia Pacific region. The Singapore-based company has offices in Malaysia, China and the Philippines as well as representatives in London and New York. The company's website is www.theasianbanker.com

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The Asian Banker Financial Market Leadership Achievement Awards Programme Background

About the awards

The Asian Banker Financial Market Leadership Achievement Awards has been recently inaugurated to recognize individual excellence in the management of financial market institutions. Until these awards, most award recognitions were for institutions and the role of leadership in an increasingly complex industry was not sufficiently understood. We know today that the shape and direction of the largest institutions and the smallest processes are dependent on the calibre of the individuals entrusted to them and we recognize them through this award programme.

The programme is anchored by a panel of industry leaders as advisors. The selection process is a rigorous one, completed over several months and involving feedback and interviews with all constituents who are in a position to comment on the candidates. The learnings from the programme are published in an annual report. All of these make this a world-class evaluation programme.

The award ceremony will be held in conjunction with The Asian Banker Summit, undisputedly the largest annual gathering of professionals in the financial services industry in the Asia Pacific region. The Summit is held in different Asian cities, and this year it will be held in Kuala Lumpur, Malaysia.

The Board of Advisors and Selection Committee

The following distinguished personalities served as members of the advisory council for the selection of this year's winners. They bring to bear tremendous expertise and global perspectives to the conduct of the annual meeting.

Advisory Board

Mr Cesar Virata, Vice Chairman, RCBC and former prime minister, Philippines

Mr Paul Chow, former Chief Executive, Hong Kong Exchange

Professor Emeritus Alain Chevalier, Professor of Finance, ESCP, Europe

The Selection Criteria

The assessment for the awards is made on four inter-related criteria:

- i. **Execution of a defined strategy.** Financial market institutions are shaped by well-developed strategic business plans, spearheaded by senior management. We assess strategic undertakings of top management and its subsequent implementation.
- ii. **Making a difference to the institution.** We look for the most compelling achievements in the years under consideration that impact the organisation. The size and complexity of the achievements, as well as capacity to overcome challenges are qualities that constitute leadership.
- iii. **Demonstrated superior 3-year financial performance.** Here we evaluate the annual results of the institution under review. Strong bottom line profitability is the first determinant of a leader's suitability for consideration of this award. We also determine the sustainability of the business and commitment to shareholders through enhanced operational efficiency and ability to respond to competition over time.

- iv. **Setting an industry benchmark.** The institution must be recognized as having introduced products, processes or systems that have changed industry standards. This has been accomplished under the visionary stewardship of its leader.

The Selection Process

The selection process, which involves a team of researchers, begins in December and ends in April of the following year. Candidates do not apply for the award, although they can be nominated. The initial selection is conducted through a survey and complemented with desk research done by the research team at The Asian Banker. The identified candidates are then subject to further scrutiny through interviews with third parties, including local financial markets journalists and analysts. The shortlisted candidates are then submitted for a review by the board of advisors, based on a comparative evaluation done by the research team.

For all information regarding the event, including tables for dinner, please contact Janice Chua at jchua@theasianbanker.com or telephone her in Singapore at +65-6236 6532.