



# Indian Stock Exchanges: Past, Present and Future



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Bombay Stock Exchange



# The Last 15 Years





# Before 1995

**1991**

- Balance of Payment Crisis

**1992**

- Securities Scam
- SEBI Act Passes

**1994**

- NSE Begins Operations



# 1995 to 2000

**1995**

- MS Shoes Scandal
- BSE Automated Trading
- First NSE terminal outside Bombay

**1996**

- NSCCL
- Depositories Act
- NSDL

**1997**

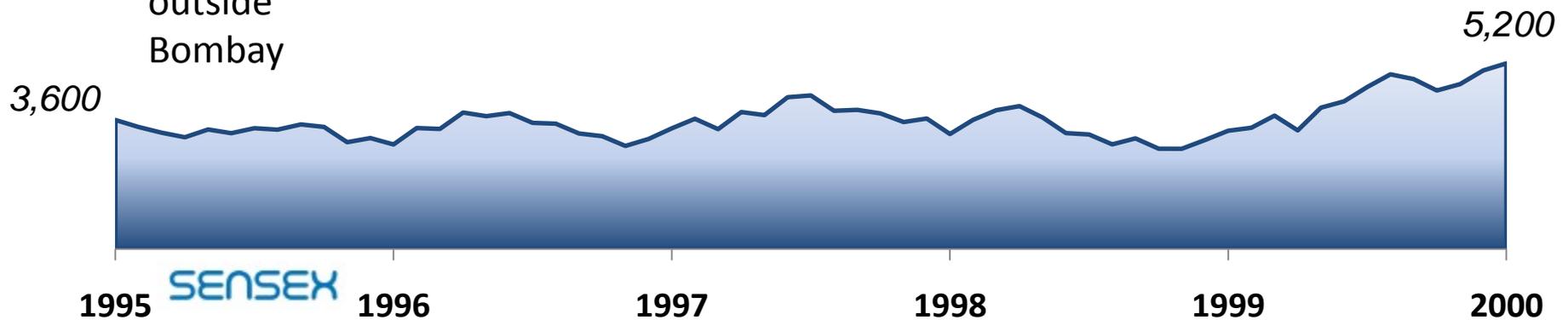
- Demat settlement compulsory
- NSE/ BSE publish APIs

**1998**

- Badla banned
- T+2 settlement

**1999**

- CDSL
- One million DP accounts





# 2000 to 2005

**2000**

- ALBM and cash settlement merged
- Ketan Parekh Scam
- Algo trading

**2001**

- Index derivatives
- Single stock derivatives

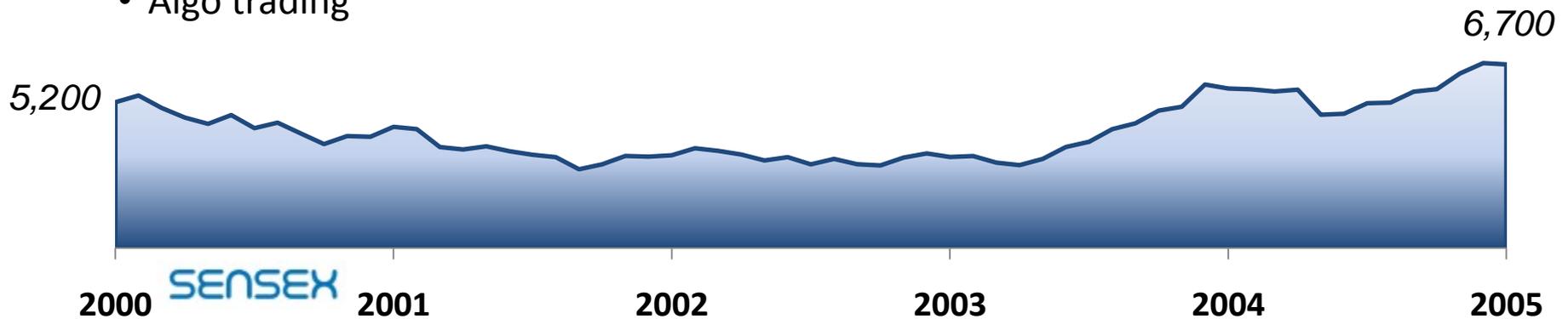
**2002**

- National Commodities markets
- NCDEX and MCX begin operations

**2003**

- BSE sets up regional hub in New Delhi
- Retail Debt Trading

**2004**





# 2005 to 2010

2005

2006

2007

2008

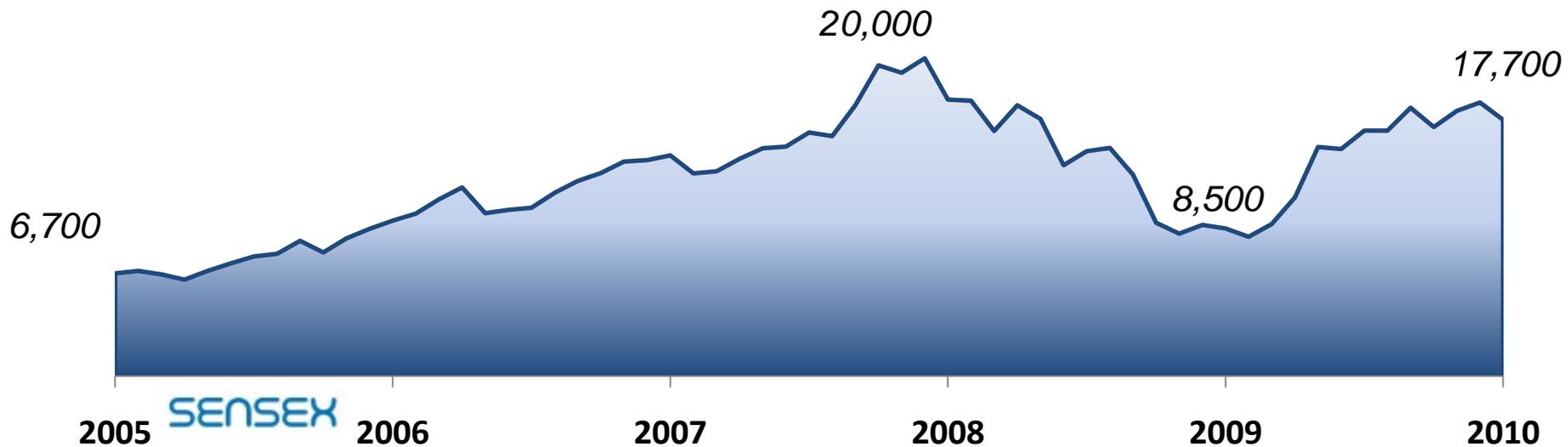
2009

- BSE demutual.

- SENSEX surpasses 20,000

- Global markets collapse
- Currency derivatives

- IR derivatives
- StarMF





# The Present

- BSE announces FIX 5.0
- Advantages of FIX 5.0 over FIX 4.2
  - Full messaging support for equities
  - Full messaging support for F&O
  - Full messaging support for market data related messages



FIXGlobal

**FACE<sub>2</sub>FACE**

Forums 2010

In support of

**FIX**PROTOCOL  
INDUSTRY-DRIVEN MESSAGING STANDARD<sup>SM</sup>

# The Near Future

- Mobile trading
- Multi-exchange algorithmic trading
- Universal exchange-neutral co-location
- SME exchange
- Options market making
- Warrants
- Stock lending and borrowing
- Delivery-based derivatives market



# The Future

- More exchanges and more asset classes
- Reduced latency and streamlined DMA
- USE of FIXML and use of FIX in post-trade activities
- Increased order to trade ratio
- Multiple Clearing Houses and OTC trades clearing through Clearing Houses
- Improved corporate governance
- Publicly listing of Indian exchanges
- Interoperability across clearinghouses
- International linkages
- UID