National Stock Exchange of India Ltd.

Neutral

Issue Highlights

Issue Open	September 17, 2026
Issue Close	September 21, 2026
Issue Price	₹ 1700 - ₹ 1785 per share
Market Cap.	₹ 4,20,750 Cr - ₹ 4,41,788 Cr
Total Issue Size	₹ 22,562 Cr
Of which	
Offer For Sale	₹ 22,562 Cr
Face Value	₹ 1 per share
Market Lot	8 Equity Shares
Employee Discount	₹ 170 per share
Issue Type	Book building IPO

Offer Structure

QIB Category	50%
Retail Category	35%
Non-Institutional	15%

Lead Book Running Managers

⇒ Morgan Stanley India Co.Pvt.Ltd.

⇒ JP Morgan India Pvt.Ltd.

⇒ HSBC Securities & Capital Markets (India) Pvt.Ltd.

⇒ HDFC Bank Ltd.

⇒ Kotak Mahindra Capital Co.Ltd.

⇒ Motilal Oswal Investment Advisors Ltd.

⇒ ICICI Securities Ltd.

⇒ IDBI Capital Markets & Securities Ltd.

⇒ Citigroup Global Markets India Pvt.Ltd.

⇒ Axis Capital Ltd.

Registrar To The Offer

⇒ MUFG Intime India Pvt. Ltd.

Research Analyst

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Key Highlights

- **Company background:** National Stock Exchange of India Limited (NSE), incorporated in 1992, is India's largest stock exchange and a leading multi-asset exchange platform. It operates a vertically integrated ecosystem covering trading, clearing, settlement, listing, market data and index services across equities, derivatives, currencies, commodities, debt securities and mutual funds. NSE maintains a strong leadership position across major trading segments, supported by scalable technology and a broad investor base. Its diversified ecosystem includes NSE Clearing, NSE Indices, NSE Data and Analytics, NSE International Exchange and other financial-market support services.
- **Market opportunity:** India's capital markets present significant growth opportunities, supported by rising investor participation, increasing market capitalisation, expanding mutual fund assets and greater adoption of passive investment products. NSE's unique registered investor base increased from 30.87 million in March 2020 to 132.37 million by June 2026, while India's mutual fund AUM reached ₹82.22 trillion in June 2026. Passive fund AUM and index-fund adoption are also expanding, creating opportunities for NSE across trading, index services, market data and clearing. Growing fund mobilisation, financial inclusion and increasing participation across Indian postal codes further support the exchange's long-term growth prospects.
- **Key strengths:** NSE enjoys a strong leadership position in India, supported by its liquid marketplace and powerful network effects arising from the country's structural market growth. Its trusted brand is associated with efficiency, transparency and reliability across trading, clearing, settlement and market supervision. The vertically integrated business model enables comprehensive and innovative offerings across the capital-market ecosystem. Its scalable and resilient technology platform supports increasing activity, while its strong scale, growth, profitability and sustained cash generation provide financial strength.
- **Key strategies:** NSE plans to support new capital formation by attracting issuers and investors across asset classes while maintaining transparent, fair and orderly markets. It aims to strengthen technology infrastructure through continuous modernisation and drive innovation through new products and automation across large markets. The company also intends to diversify its business, enhance data monetisation through its market-data ecosystem and expand financial inclusion. Further, NSE plans to strengthen global partnerships, build its presence in GIFT City's International Financial Services Centre and develop an offshore presence to capture global opportunities.
- **Financials:** NSE's financial performance remained strong, although FY2026 witnessed moderation. Revenue from operations stood at ₹16,601.31 crore in FY2026, compared with ₹17,140.68 crore in FY2025 and ₹14,780.01 crore in FY2024. PAT declined to ₹10,302.06 crore from ₹12,187.69 crore, while operating EBITDA stood at ₹11,097.90 crore versus ₹12,646.88 crore. Operating EBITDA margin moderated to 66.85% from 73.78%, while PAT margin declined to 50.98% from 55.30%. ROE fell to 32.98% from 44.87% and ROCE to 42.80% from 52.11%, indicating weaker returns despite strong overall profitability.
- **Valuation:** NSE's IPO presents a balanced outlook, with financial performance in FY26 impacted by regulatory changes and moderation in trading activity, while operational metrics remained resilient, supported by increasing investor participation, fund mobilisation and market presence. At a P/E of 42.9x, the valuation reflects the company's established market position and future growth potential, while leaving limited room for earnings disappointments. Regulatory developments, including SEBI measures on options trading, remain key factors influencing trading volumes and transaction-based income. While the long-term growth opportunity in India's capital markets remains favourable, the sustainability of earnings growth will depend on trading activity, regulatory stability and continued market participation. Given the balance between structural growth opportunities, regulatory uncertainties and valuation considerations, we assign a **Neutral** rating.
- **Key risks:** NSE faces significant risks from any decline in the volume and value of transactions, which could reduce transaction-based income and adversely affect growth. Its high dependence on transaction charges, particularly from the options business, increases sensitivity to trading activity. Technology infrastructure is critical, making system failures, cybersecurity issues or difficulties in adopting new technologies potential risks. Dependence on third parties and intermediaries also creates operational and fraud risks. Additionally, regulatory changes affecting trading products, market structure or transaction activity could adversely impact volumes, revenue, financial performance and future growth prospects.

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Statements on ownership and material conflicts of interest, compensation– Research Analyst (RA)

[Please note that only in case of multiple RAs, if in the event answers differ inter-se between the RAs, then RA specific answer with respect to questions under F(a) to F(j) below, are given separately]

S. No.	Statement	Answer	
		Tick appropriate	
		Yes	No
	I/we or any of my/our relative has any financial interest in the subject company? **[If answer is yes, nature of Interest is given below this table]**		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in connection with the research report?		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Nature of Interest (if answer to F (a) above is Yes : ………

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) above , are given below]

SS..No.	Name(s) of RA.	Signtures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.