

Price Waterhouse & Co Chartered Accountants LLP

To
The Board of Directors
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai- 400051.

1. We have reviewed the unaudited consolidated financial results of National Stock Exchange of India Limited (the “Parent Company”), its subsidiaries (the Parent Company and its subsidiaries hereinafter referred to as the “Group”) and associate companies for the quarter and the nine months ended December 31, 2020 which are included in the accompanying Statement of Consolidated Unaudited Financial Results (the “Statement”). The Statement is being submitted by the Parent Company pursuant to the requirement of Regulation 33 of Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “SECC Regulations”) read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent Company’s Management and has been approved by the Parent Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

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4. The Statement includes the results of the following entities:

Sr. No.	Name	Nature of Relationship
1	NSE Clearing Limited	Subsidiary Company
2	NSE Investments Limited	Subsidiary Company
3	NSE IFSC Limited	Subsidiary Company
4	NSE IFSC Clearing Corporation Limited	Subsidiary's Subsidiary Company
5	NSEIT Limited	Subsidiary's Subsidiary Company
6	NSE Data & Analytics Limited	Subsidiary's Subsidiary Company
7	NSE Indices Limited	Subsidiary's Subsidiary Company
8	NSE Infotech Services Limited	Subsidiary's Subsidiary Company
9	NSE.IT (US) Inc.	Subsidiary's Subsidiary's Subsidiary Company
10	Aujas Networks Private Limited	Subsidiary's Subsidiary's Subsidiary Company
11	NSE Academy Limited	Subsidiary's Subsidiary Company
12	TalentSprint Private Limited (w.e.f November 10, 2020)	Subsidiary's Subsidiary's Subsidiary Company
13	NSE Foundation	Subsidiary Company
14	National Securities Depository Limited	Associate Company
15	Power Exchange India Limited	Subsidiary's Associate
16	NSDL e-Governance Infrastructure Limited	Subsidiary's Associate
17	Market Simplified India Limited	Subsidiary's Associate
18	Receivables Exchange of India Limited	Subsidiary's Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SECC Regulations read with Regulation 33 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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6. We draw your attention to Note 5 to the Statement, relating to contingent liability, that describes the Orders issued by the Securities and Exchange Board of India ("SEBI") on April 30, 2019 wherein disgorgement/demand aggregating Rs. 687.47 crores (excluding interest thereon at 12% p.a. from April 1, 2014 till the actual date of payment for one order and from September 11, 2015 till the actual date of payment for second order) has been raised against the Parent Company pursuant to an investigation conducted in relation to preferential access to tick by tick data at the Parent Company's Colocation facility, Dark Fiber point to point connectivity and Governance and related matters. SEBI has further directed the Parent Company to undertake certain remedial measures, actions and imposed restrictions. The Parent Company has also received Adjudication notices covering identical matters, facts, circumstances and grounds as stated in each of the above orders. Hearing before SEBI is pending related to the Dark Fiber point to point connectivity and Governance and related matters and hearing related to preferential access to tick by tick data at the Parent Company's Colocation facility has been completed, awaiting order from SEBI. The Parent Company has deposited Rs 687.47 crores with SEBI in respect of these orders and continues to transfer revenues emanating from the colocation facility to a separate bank account, which are then invested along with accruals thereon and have been shown under restricted/earmarked investments and bank balances. The Parent Company has filed appeals to contest the aforesaid orders with the Hon'ble Securities Appellate Tribunal, the future outcome of which is uncertain at this stage. Based on the legal opinion obtained by the Parent Company, no provision for any liability has been made towards the aforesaid demand from the Orders, including any monetary penalty from the pending Adjudication proceedings in the Statement. Our conclusion on the Statement is not modified in respect of this matter.
7. We did not review the interim financial information of two subsidiaries and consolidated financial information of two subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs.367.80 crores and Rs. 893.17 crores, total net profit after tax of Rs. 138.63 crores and Rs. 1,847.37 crores and total comprehensive income of Rs. 137.24 crores and Rs. 1,843.06 crores, for the quarter and nine months ended December 31, 2020, respectively, as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors in accordance with SRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and their reports dated January 25, 2021, January 28, 2021, January 30, 2021 and February 3, 2021 vide which they have issued an unmodified conclusion, have been furnished to us by the Parent Company's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter.

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8. The consolidated unaudited financial results includes the interim financial information of two subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenues of Rs. 8.26 crores and Rs. 8.49 crores, total net loss after tax of Rs. 0.26 crores and Rs. 0.15 crores and total comprehensive loss of Rs. 0.26 crores and Rs. 0.15 crores for the quarter and nine months ended December 31, 2020, respectively as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 13.43 crores and Rs. 29.57 crores and total comprehensive income of Rs. 13.66 crores and Rs. 29.81 crores for the quarter and nine months ended December 31, 2020, respectively, as considered in the consolidated unaudited financial results, in respect of one associate company, based on their interim financial information which have not been reviewed by their auditors. The consolidated unaudited financial results do not include the Group's share of total comprehensive income / loss in respect of two associate companies in which the investment of Rs. 24.56 crores made by the Group has been fully provided for towards diminution in its value. According to the information and explanations given to us by the Parent Company's Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matters.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/ E - 300009



Sumit Seth
Partner
Membership Number 105869
UDIN: 21105869AAAAAB5216

Place: Mumbai
Date: February 5, 2021



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

CIN : U67120MH1992PLC069769



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

Sr. No. Particulars	(Rs. in crores unless otherwise stated)					
	Quarter ended			Nine months ended		Year ended
	31.12.2020 Unaudited	30.09.2020 Unaudited	31.12.2019 Unaudited	31.12.2020 Unaudited	31.12.2019 Unaudited	31.03.2020 Audited
1 Income						
(a) Revenue from operations	1,411.97	1,287.38	850.21	3,772.90	2,522.00	3,507.93
(b) Other Income	168.41	112.75	125.63	465.00	364.94	389.59
Total Income	1,580.38	1,400.13	975.84	4,237.90	2,886.94	3,897.52
2 Expenses						
(a) Employee benefits expense	117.01	116.72	106.11	348.53	311.87	429.90
(b) Depreciation and amortisation expense	54.42	51.51	47.97	153.65	132.67	180.78
(c) Other expenses	264.50	220.94	190.78	660.09	565.15	812.08
Total expenses	435.93	389.17	344.86	1,162.27	1,009.69	1,422.76
3 Profit before exceptional items, Contribution to Core SGF, share of net profits of investments accounted for using equity method and tax (1-2)	1,144.45	1,010.96	630.98	3,075.63	1,877.25	2,474.76
4 Share of net profit of associates accounted by using equity method	19.50	16.74	29.95	45.66	90.45	112.57
5 Profit before exceptional items, Contribution to Core SGF and tax (3+4)	1,163.95	1,027.70	660.93	3,121.29	1,967.70	2,587.33
6 Exceptional items						
(a) Profit on sale of investment in Computer Age Management Services Limited (Refer note 8)	-	1,729.55	-	1,729.55	-	-
(b) Contribution to Investor Protection Fund Trust (Refer note 7)	(947.95)	-	-	(947.95)	-	-
7 Profit after exceptional items before Contribution to Core SGF and tax (5+6)	216.00	2,757.25	660.93	3,902.89	1,967.70	2,587.33
8 (Reversal) / Contribution to Core Settlement Guarantee Fund (Refer note 3 (b))	(69.07)	-	-	(62.08)	-	62.08
9 Profit before tax (7-8)	285.07	2,757.25	660.93	3,964.97	1,967.70	2,525.25
10 Less: Income Tax expense						
(a) Current tax	61.48	480.87	162.62	749.73	494.06	663.89
(b) Deferred tax	14.99	(0.07)	4.37	23.85	(0.83)	(23.42)
Total Tax expenses	76.47	480.80	166.99	773.58	493.23	640.47
11 Profit for the period / year (9-10)	208.60	2,276.45	493.94	3,191.39	1,474.47	1,884.78
12 Other Comprehensive Income						
(a) <i>Items that will be reclassified to profit or loss (net of tax)</i>						
Changes in fair value of FVOCI debt instruments	5.16	(0.35)	0.43	17.38	16.95	20.14
Changes in foreign currency translation reserve	(1.38)	(2.13)	0.94	(3.38)	2.68	7.47
(b) <i>Items that will not be reclassified to profit or loss (net of tax)</i>						
Remeasurements of post-employment benefit obligations	(0.08)	1.99	(2.37)	(1.68)	(5.25)	(5.81)
Changes in fair value of FVOCI equity instruments	0.78	(0.70)	2.40	0.88	8.53	(8.91)
Share of other comprehensive income of associates accounted for using the equity method	-	(0.30)	(0.09)	(0.47)	(0.09)	(0.86)
Total other comprehensive income / (loss) for the period / year, net of taxes	4.48	(1.49)	1.31	12.73	22.82	12.03
13 Total comprehensive income for the period / year (11+12)	213.08	2,274.96	495.25	3,204.12	1,497.29	1,896.81
14 Profit attributable to :						
Owners of National Stock Exchange of India Limited	208.95	2,276.47	493.95	3,191.75	1,474.66	1,885.04
Non-Controlling Interests	(0.35)	(0.02)	(0.01)	(0.36)	(0.19)	(0.26)
15 Other comprehensive income/(loss) attributable to :						
Owners of National Stock Exchange of India Limited	4.48	(1.49)	1.31	12.73	22.82	12.02
Non-Controlling Interests	-	-	-	-	-	0.01
16 Paid-up equity share capital (Face value Re. 1 per share)	49.50	49.50	49.50	49.50	49.50	49.50
17 Reserves (excluding Revaluation Reserve)						8,571.76
18 Earnings per equity share (EPS) (Face Value Re. 1 each) - Basic and Diluted (Rs.)	4.22*	45.99 *	9.98 *	64.48 *	29.79*	38.08

* Not annualised

Segment Information

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Parent Company. The Group has identified the following segments i.e. Trading Services, Clearing Services, Data Feed, Index Licensing and Strategic Investment as reporting segments based on the information reviewed by CODM.

1: **Trading Services** : This part of the business/offers services related to trading in equity, equity derivatives, debt, currency derivatives and commodity derivatives segments. Revenue includes transaction charges, listing & book building fees, revenue from data centre charges etc.

2: **Clearing Services** : This part of the business/offers clearing and settlement of the trades executed in the capital markets, future & options, currency derivatives and commodity derivatives segments.

3: **Data Feed Services** : This part of business/offers services related to dissemination of price, volume, order book and trade data relating to securities and various indices to the stock and commodity brokers.

4: **Index Licensing Fees** : This part of the business primarily provides indices and related products and services to various participants in capital market in India.

5: **Strategic Investments** : This part of business is related to making or holding all strategic investments in the equity shares and / or other securities of various group companies.

6: Other segments includes End to End Solution, E-learning Solutions, Web Trading, IT services, IT Process Support charges, Software Application development, and IT security services. The results of these operations are included in the "Other Segments".

The above business segments have been identified considering :

- the nature of products and services
- the differing risks
- the internal organisation and management structure, and
- the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

(b) Segment Revenue :
Transactions between segments are carried out at arms length and are eliminated on consolidation. Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

Segments	For the quarter ended 31st December, 2020				For the quarter ended 30th September, 2020				For the quarter ended 31st December, 2019				For the nine months ended 31st December, 2020				For the nine months ended 31st December, 2019				For the year ended 31st March, 2020			
	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results
Trading Services	1,192.02	14.04	1,177.98	920.38	1,100.39	12.76	1,087.63	840.15	671.21	10.81	660.40	457.31	3,226.93	39.85	3,187.08	2,469.06	1,993.30	32.90	1,960.40	1,399.21	2,832.41	46.48	2,785.93	1,964.21
Clearing Services	130.92	68.22	62.70	33.60	119.70	57.83	61.87	34.64	92.03	39.09	52.94	27.12	351.44	177.52	173.92	93.39	261.08	119.76	141.32	72.85	366.83	170.23	196.60	102.00
Data feed Services	29.55	0.21	29.34	26.22	32.97	0.39	32.58	32.58	25.33	0.15	25.18	23.69	92.06	0.87	91.19	84.06	77.33	0.42	76.91	72.90	101.48	0.56	100.91	96.91
Index Licensing Services	37.15	12.43	24.72	22.62	36.20	8.18	28.02	26.08	25.12	5.22	19.90	16.73	107.77	28.94	78.83	72.54	79.06	15.29	63.77	56.34	113.26	21.74	91.52	82.38
Strategic Investments	10.02	10.02	-	(0.50)	102.70	102.70	-	0.31	16.90	16.90	-	(0.47)	112.72	112.72	-	(1.57)	82.52	82.52	-	(1.57)	82.52	82.52	-	(2.22)
Other Segments	149.62	32.39	117.23	(26.11)	98.42	21.14	77.28	(35.43)	98.55	6.76	91.79	(19.87)	313.60	71.72	241.88	(106.41)	331.66	52.06	279.60	(87.99)	468.06	135.08	332.97	(158.55)
Total	1,549.28	137.31	1,411.97	976.21	1,490.38	203.00	1,287.38	898.33	929.14	78.93	850.21	504.51	4,204.52	431.62	3,772.90	2,611.07	2,824.95	302.95	2,522.00	1,511.74	3,964.56	456.61	3,507.93	2,084.73
Add: Unallocable income (Net of Expenses)				131.17				76.34				75.54				366.79				203.42				170.44
Add: Interest income				37.07				36.29				50.93				97.77				162.09				219.59
Profit before exceptional items, Contribution to Core SGF, share of net profits of investments accounted for using equity method and tax				1,144.45				1,010.96				630.98				3,075.63				1,877.25				2,474.76
Add: Share of net profit of Associates accounted by using equity method				19.50				16.74				29.95				45.66				90.45				112.57
Profit before exceptional items, Contribution to Core SGF and tax				1,163.95				1,027.70				660.93				3,121.29				1,967.70				2,587.33
Add: Profit on sale of investment				0.00				1,729.55				-				1,729.55				-				-
Less: Contribution to IPFT				(947.95)				-				-				(947.95)								
Profit after exceptional item and before contribution to Contribution to Core SGF and tax				216.00				2,757.25				660.93				3,902.89				1,967.70				2,587.33
(Reversal) / Contribution to Core Settlement guarantee fund (Core SGF)				(69.07)				-				-				(62.08)				-				62.08
Profit before Tax				285.07				2,757.25				660.93				3,964.97				1,967.70				2,525.25
Less: Tax Expense:																								
Current Tax				(61.48)				(480.87)				(162.62)				(749.73)				(494.06)				(663.89)
Deferred Tax				(14.99)				0.07				(4.37)				(23.85)				0.83				23.42
Total Tax Expenses				(76.47)				(480.80)				(166.99)				(773.58)				(493.23)				(640.47)
Net profit after tax				208.60				2,276.45				493.94				3,191.39				1,474.47				1,884.78

(c) Segment Assets :

Segment assets are measured in the same way as in the Balance Sheet. These assets are allocated based on the operations of the segment.

(Rs. Crs)

Segments	31.12.2020	31.12.2019	31.03.2020
Trading Services	2,758.58	2,513.00	2,511.80
Clearing Services *	11,512.15	6,903.71	13,093.52
Datafeed Services	4.86	5.93	10.94
Index Licensing Services	11.40	12.02	15.37
Strategic Investments	667.80	870.68	872.13
Other Segments	404.41	334.11	309.31
Total Segment Assets	15,359.20	10,639.45	16,813.07
Unallocable Assets	11,782.07	6,802.10	7,357.26
Total Assets	27,141.27	17,441.55	24,170.33

There are no non current assets situated outside India.

Investments held by the Group are not considered to be segment assets but are managed by the treasury function. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable. Interest income are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

* Segment Asset include amount pertaining to Core SGF maintained by NSE Clearing Limited and NSE IFSC Clearing Corporation Limited (NSE IFSC CC) as follows:

(Rs. Crs)

Particulars	31.12.2020	31.12.2019	31.03.2020
Contribution to Core SGF	3,470.54	3,060.44	3,149.13
Contribution to SGF - Commodity Derivatives	250.00	250.00	250.00
Contribution to Core SGF - NSE IFSC CC	10.17	8.78	9.34

(d) Segment Liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

(Rs. Crs)

Segments	31.12.2020	31.12.2019	31.03.2020
Trading Services	3,423.88	2,273.70	1,773.79
Clearing Services	11,435.46	6,247.83	13,006.01
Datafeed Services	12.92	6.78	8.85
Index Licensing Services	6.29	5.49	2.23
Strategic Investments	2.97	0.85	2.00
Other Segments	190.67	124.39	122.02
Total Segment Liabilities	15,072.19	8,659.04	14,914.90
Unallocable Liabilities	808.92	560.00	633.34
Core Settlement Guarantee Fund	(3,730.71)	(3,319.22)	(3,408.47)
Core Settlement Guarantee Fund Payable	(33.23)	(9.56)	(18.20)
Total Liabilities and Settlement Guarantee Fund	12,117.17	5,890.26	12,121.57

Notes :

1 The above Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2020 have been reviewed by the Audit Committee in its meeting held on February 4, 2021 and approved by the Board of Directors in its meeting held on February 5, 2021. The financial results for the quarter and nine months ended December 31, 2020 were reviewed by the Statutory Auditors of the Company.

2 The Company has paid final dividend of Rs. 544.50 crores during the quarter ended September 30, 2020, approved by the shareholders in Annual General Meeting held on September 25, 2020.

3 a) In case of NSE Clearing Limited (NCL), Securities and Exchange Board of India (SEBI), vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, has issued norms related to the computation and Minimum Required Contribution (MRC) to the Core Settlement Guarantee Fund (Core SGF) by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%). Further, SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016 advised Stock Exchange to transfer 25% of its annual profits to Core SGF. Accordingly, total Core SGF of NCL as on December 31, 2020 is Rs. 3,470.54 crores comprising of: a) Rs.762.66 crores contributed by NCL by appropriating reserves / profits b) Rs.373.65 crores received from National Stock Exchange of India (NSE) c) Member's contribution amounting to Rs. 364.43 crores is utilised out of the amount received from NSE towards 25% of its annual profits upto August 2015 d) The balance amount of 25% of Exchange profits amounting to Rs. 327.51 crores has been credited to Core SGF e) Rs.128.84 crores, Rs.76.35 crores and Rs.75.07 crores adjusted towards incremental requirement of Minimum Required Corpus (MRC) from the interest accrual on the cash contribution by NCL, NSE and NSE's Contribution on behalf of members, respectively. In addition to the above, fines & penalties collected by NCL amounting to Rs. 800.87 crores and amount of Rs.561.16 crores being Income from investments of Core SGF funds have been credited to Core SGF.

NCL's own contribution to Core SGF for the quarter ended December 31, 2020, September 30, 2020 and December 31, 2019 are NIL, respectively and for the nine months ended December 31, 2020 and December 31, 2019 is Rs. 28.20 Crores and Nil, respectively (For year ended March 2020 Rs. Nil) have been appropriated out of its profits.

Incremental requirement of contribution to core SGF adjusted from interest on respective investments for quarter ended December 31, 2020, September 30, 2020 and December 31, 2019 are NIL, respectively. For Nine month ended December 31, 2020 contribution has been adjusted from the investment income of the respective segment amounting to Rs.115.94 crores (from NCL Rs.59.80 crores, NSE Rs.29.09 crores and NSE on behalf of members Rs.27.05 crores) and also from interest on investment related to balance amount of 25% of Exchange profits amounting to Rs. 14.91 crores and Rs. 16.95 Crores for incremental contribution of NSE and NSE on behalf of members respectively. For nine months ended December 31, 2019 it was Rs Nil.

Incremental requirement of Contribution to core SGF of Rs.18 Crores for Year ended March 2020 (from NCL Rs.9 crores, NSE Rs. 4 crores and NSE on behalf of members Rs.5 crores) had been adjusted from interest on respective investments.

b) Further, as per circular dated SEBI/HO/MRD/DCAP/CIR/P/2021/03 January 08, 2021, SEBI has allowed transfer of excess contribution made by Stock Exchanges from Core SGF of one Clearing Corporation to the Core SGF of another Clearing Corporation in inter-operable scenario. Accordingly Core SGF as on December 31, 2020 excludes Rs.12.59 crores contribution of other stock exchanges receivable from respective clearing corporation and includes Rs.69.07 crores of NSE contribution transferable to other clearing corporation. Accordingly, Core SGF contribution of Rs 69.07 crores payable by NSE to India Clearing Corporation Limited (ICCL) has been reversed during the quarter ended December 31, 2020, and the same has been paid by NCL to ICCL.

c) In case of NSE IFSC Clearing Corporation (NICCL), SEBI vide circular no. SEBI/HO/MRD/DSA/ CIR / P/2016/125 dated November 28, 2016 has issued norms for setting up of a fund and minimum corpus of such fund to guarantee the settlement of trades executed in the stock exchanges in International Financial Service Centre (IFSC). Accordingly, total Core SGF as on December 31, 2020 of NSE IFSC Clearing Corporation (NICCL) is Rs.10.17 crores comprising of Rs.9.76 crores contributed by NICCL by appropriating reserves / profits and Fines & penalties collected by NICCL amounting to Rs.0.03 crores & an amount of Rs 0.38 crores being Income from investments of Core SGF funds have been credited to Core SGF. Further, NSE IFSC Clearing Corporation Limited's contribution to its Core SGF for the quarter ended December 2020, September 2020 and December 2019 amounted to Rs. 0.50 Crores, NIL and NIL, respectively, and for nine months ended December 2020 and December 2019 amounted to Rs.1.00 Crore and Rs.0.50 Crores respectively. (for year ended March 31, 2020 is Rs.0.50 crores).

d) As required by SEBI, an amount of Rs.250 crores has been earmarked towards a separate fund by NCL, the subsidiary Company, to augment Settlement Guarantee Fund for Commodity Derivatives by way of appropriation from General Reserves. Further, NCL has also earmarked investments amounting to Rs.250 crores in this regard.

4 During the nine months ended December 31, 2020, NCL, the subsidiary Company, has given additional bank guarantee of Rs.250 crores (previous year Rs.500 crores) in favour of ICCL towards Inter Clearing Corporation collateral under interoperability framework as prescribed by SEBI. Total bank guarantee amount as on December 31, 2020 is Rs.750 crores (previous year Rs.500 crores).

5 Securities and Exchange Board of India (SEBI) had directed NSE to carry out an investigation including forensic examination by independent external agencies in respect of certain aspects of NSE's Colocation facility. NSE got the investigation carried out and submitted the reports to SEBI. Further, SEBI had directed that pending completion of the investigations, all revenues emanating from the colocation facility with effect from September 2016 be transferred to a separate bank account. Accordingly, as of December 31, 2020, an amount of Rs.5,212.37 crores (March 31, 2020 Rs.3,606.73 crores) was transferred to a separate bank account and then have been invested in accordance with Board of directors approved investment policy and procedures. These investments along with accruals there on have been shown under restricted / earmarked investments and bank balances.

Three show cause notices were issued by SEBI to the Company and to some of its employees, including former employees, in respect of the preferential access to tick by tick data in Company's Colocation facility, Dark Fibre point to point connectivity and Governance and related matters which were responded to. Further, NSE had also filed a Consent Application with SEBI on August 31, 2018 in respect of the said show cause notices. SEBI vide its letter dated April 30, 2019 returned the Consent Application filed by NSE and has passed orders in respect of all the three show cause notices. In the first order, it has passed a direction on NSE inter alia to disgorge an amount of Rs.624.89 crores along with interest at the rate of 12% per annum from April 01, 2014 till the actual date of payment and certain non-monetary and restrictive directions prohibiting the Company from raising funds from the market, through issuance of equity, debt or other securities for a period of six months from the date of the order; in the second order it passed a direction to deposit a sum of Rs.62.58 crores along with interest at the rate of 12% p.a. from September 11, 2015 till the actual date of payment along with other non-monetary and restrictive directions and in the third order it has passed certain non-monetary and remedial directions on NSE. Additionally, NSE has also received Adjudication notices covering the above three orders. Hearing before SEBI is pending related to the Dark Fiber point to point connectivity and Governance and related matters and hearing related to preferential access to tick by tick data at the Parent Company's Colocation facility has been completed, awaiting order from SEBI.

The Company having received the orders passed by SEBI sought legal advice thereon and preferred an appeal against the said SEBI Orders. Hon'ble SAT vide its interim order has stayed the disgorgement of the amount, however it directed the Company to transfer the amount of Rs.624.89 crores in the Colocation matter and Rs.62.58 crores in the Dark Fibre matter totaling to Rs.687.47 crores to SEBI which has been remitted by the Company on June 13, 2019 out of the total earmarked investments as indicated above. Accordingly, as on December 31, 2020 the total earmarked investment including income accrued thereon stood at Rs.5,131.77 crores (March 31, 2020 Rs.3,288.86 crores). Further, the Company is also directed to continue to transfer all revenues emanating from its co-location facility to a separate bank account. With respect to Governance and related matters, Hon'ble SAT vide its interim order has kept the directions passed in the SEBI order in abeyance.

The Company believes that it has strong grounds to contest the above orders including monetary liability (including from pending adjudication proceedings) raised by SEBI. Accordingly, no provision for any liability in this regard is considered necessary in the financial results as of and for the nine months ended December 31, 2020.

6 The Company is in receipt of SEBI Show Cause Notice dated October 9, 2019 (bearing reference no. MRD/DSA-I/VA/SKS/26772/1/2019) and a Supplementary notice dated December 16, 2019 (bearing no. MRD/DSA-I/VA/SKS/33591/1/2019) alleging violation in relation to certain alleged irregularities in the appointment of Chief Strategic Advisor and his re-designation as 'Group Operating Officer and Advisor to MD' by the former Managing Director & Chief Executive Officer and the sharing of certain internal information pertaining to Company with an alleged third party by former Managing Director & Chief Executive Officer. The Company has sought inspection of records from SEBI in respect of this matter and had also filed a Settlement Application. SEBI vide its letter dated October 27, 2020 has returned NSE's settlement application. However, response from SEBI in respect of the request made by NSE seeking inspection of records is awaited. In view of the same, no provision is presently made/determinable in the financial results.

7 In order to enhance the effectiveness of Investor Protection Fund (IPF) of Stock Exchange, SEBI has comprehensively reviewed the existing framework in consultation with Stock Exchanges. Basis such review, SEBI decided to augment IPF Corpus and assessed required IPF corpus to be Rs.1,500 crores. Accordingly, the NSE was directed to transfer the requisite amount to bring the Corpus to Rs.1,200 crores and transfer additional amount of Rs.300 crores to escrow account as a reserve fund in case of any shortfall in IPF within 15 days of receipt of the SEBI letter. Accordingly, the Company has paid Rs.641.83 crores to NSE IPFT to augment the corpus to Rs.1,200 crores and has transferred Rs.300 crores to a separate bank account and then has been invested in liquid mutual funds in accordance with Board of directors approved investment policy and procedures. Accordingly, Rs.947.95 crores (including contribution to Charity Commissioner) has been recognised as an Exceptional expense in the financial results.

8 NSE Investments Limited, the subsidiary Company, had acquired 44.99% equity stake in Computer Age Management Services Limited (CAMS) in Financial Year 2013-14. NSE, the holding company, had received a letter dated February 04, 2020 from SEBI, inter alia, stating that NSE should have obtained prior permission from Securities Exchange Board of India (SEBI) for acquisition of equity stake in Computer Age Management Services Limited, through its wholly owned subsidiary NSE Investments Limited (formerly NSE Strategic Investment Corporation Limited) in Financial Year 2013-14 and that it has resulted in violation of Securities Contracts (Regulations) Stock Exchanges and Clearing Corporation (SECC) Regulations, 2018. In the same letter, SEBI directed NSE to divest its entire stake in CAMS (1,82,46,600 shares i.e. 37.50% as on February 04 2020) within a period of 1 year; withdraw its directorship in Computer Age Management Services Limited and not to exercise voting rights and avail any corporate benefits in respect of the shareholding. SEBI has further stated that this is without prejudice to any other action that SEBI may initiate for non-compliance with the Regulation 38(2) of SECC Regulations, 2018 read with Regulation 41(3) of SECC Regulations, 2012.

In view of the above directions of SEBI, as on March 31, 2020, the entire investment of 37.50 % in CAMS was reclassified from 'investment in associate' to 'Assets classified as held for sale' and the same was carried at the lower of carrying amount and fair value as per Indian Accounting Standard (Ind AS) 105 - 'Non-current Assets Held for Sale and Discontinued Operations'.

Pursuant to the said directions of SEBI, NSE had withdrawn its nominee Directors in CAMS and not exercised any voting rights or availed any corporate benefits from the date of the letter. During the previous quarter ended September 30, 2020 the subsidiary Company has divested its entire stake in CAMS, resulting in net profit of Rs.1,729.55 crores which is shown as an Exceptional item.

During the nine months ended December 31, 2020, the company has not received any dividend from CAMS (Previous nine months ended December 31, 2019 Rs.22.27 crores and year ended March 31, 2020 Rs.22.27 crores) and related tax expenses is Rs. Nil.

9 During the nine months ended December 31, 2020, NSEIT Limited, the subsidiary company, has acquired 79,92,700 equity shares of Re. 1/- each of Aujas Networks Limited, its subsidiary company, for aggregate consideration of INR 5.70 Crores. Accordingly as at December 31, 2020, NSEIT Limited holds 99.29% (96.84% as at March 31, 2020) of total equity shares of the said subsidiary company.

- 10 Pursuant to applicable provisions of Companies Act, 2013, Aujas Networks Private Limited (Aujas), a subsidiary of NSEIT Limited has made an application for conversion of the Aujas from 'Aujas Networks Private Limited' to 'Aujas Networks Limited' and subsequent to that the Registrar of Companies, Karnataka has approved aforesaid name change w.e.f. August 10, 2020. Subsequently, Aujas Networks Limited has made the application for change of name from 'Aujas Networks Limited' to 'Aujas Cybersecurity Limited' which had been subsequently approved by the Registrar of Companies, Karnataka w.e.f. December 15, 2020.
- 11 During the quarter ended December 31, 2020, NSE Data and Analytics Limited (NSE DATA), a subsidiary of NSE Investments Limited has entered into a share purchase agreement with the shareholders of Cogencis Information Services Limited to acquire 100% equity shares of the said company for an enterprise value of Rs.140 crores. The SEBI has granted its approval to NSE vide letter dated October 21, 2020 for the said acquisition. Further, NSE DATA has completed the acquisition of Cogencis Information Services Limited on January 21, 2021.
- 12 During the nine months ended December 31, 2020, NSE and Singapore Stock Exchange (SGX) have entered into an agreement to cement the key terms for operationalising the NSE IFSC-SGX Connect which will bring together international and Gujarat International Finance Tec City (GIFT) participants to create a bigger liquidity pool for Nifty Products in Gift City and to develop the infrastructure for the NSE IFSC-SGX Connect and ensure member readiness prior to its implementation.
- 13 The Coronavirus (COVID-19) outbreak is an unprecedented global situation, declared as a 'pandemic' by World Health Organisation. Based on the Group's current assessment, the impact of COVID-19 on its operations and the resultant financial performance except for its education and E-learning business is not likely to be significant. COVID-19 has partially affected test enrolment & registrations, post - graduate programmes, examination services of its education business and ITES-Assessment Services (On-Line Examination Services) operations of its E-learning business, which have been started in limited way post the unlock advisory issued by the Government. The Group has made an assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal control as at balance sheet date and is of the view that there is no material impact or adjustments required to be made in these financial results.
- 14 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 28, 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The ministry of Labour and Employment has released draft rules for the code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders. The Group will assess the financial impact of the code, if any, once the effective date is notified.
- 15 Previous period / year figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification/disclosure.

For and on behalf of the Board of Directors

Place : Mumbai
Date : February 5, 2021

Vikram Limaye
Managing Director & CEO
DIN : 00488534