

# KHANDELWAL JAIN & CO.

Website: www.kjco.net • E-mail: kjco@kjco.net

CHARTERED ACCOUNTANTS

6-B&C, Pil Court, 6th Floor,  
111, M. Karve Road, Churchgate,  
Mumbai - 400 020.  
Tel.: (+91-22) 4311 5000  
Fax : 4311 5050

12-B, Baldota Bhavan, 5th Floor,  
117, M. Karve Road, Churchgate,  
Mumbai - 400 020.  
Tel.: (+91-22) 4311 6000  
Fax : 4311 6060

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NSE Clearing Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone financial statements of **NSE Clearing Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the statement financial statements.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matter	How our audit addressed the key audit matter
<p><b>Legal, Regulatory Proceedings and uncertain tax positions</b></p> <p>As of March 31, 2024, the Company has ongoing regulatory proceeding with SEBI in respect of a matter as disclosed in note 35(c) to the standalone financial statements and various ongoing litigations on legal matters and proceedings with tax authorities involving uncertain direct and indirect tax positions. There are various direct and indirect tax cases against the Company, including disallowance of certain expenses under income tax, applicability of service tax on certain services etc.</p> <p>The Company has assessed the above pending matters related to litigations, regulatory proceedings and has disclosed the contingent liabilities, wherever applicable, in its standalone financial statements.</p> <p>Refer note 32, 33 and 35 to the standalone financial statements.</p> <p>This is a key audit matter, as evaluation of these matters requires management judgement and estimation, interpretation of laws and regulations and application of relevant judicial precedents to determine the probability of outflow of economic resources, if any, provisions and related disclosures to be made in the standalone financial statements.</p>	<p>Our audit procedures related to legal, regulatory proceedings and uncertain tax positions included-</p> <ul style="list-style-type: none"> <li>• Evaluating the design and operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the standalone financial statements in respect of these matters;</li> <li>• Obtaining details of litigations on legal, regulatory proceedings and uncertain direct and indirect tax positions.</li> <li>• Reviewing orders and management responses thereto.</li> <li>• Inspecting the supporting documents to evaluate management's assessment of probability of outcome of ongoing proceedings, the magnitude of potential loss, if any, and testing related provisions and disclosures made in the standalone financial statements;</li> <li>• Reviewing expert's legal advice/opinion obtained by the Company's management for evaluating certain legal, regulatory and tax matters; and</li> <li>• Evaluating competence and capabilities of the experts.</li> </ul> <p>Based on the above procedure, we noted that the Company has reviewed the above pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its standalone financial statements.</p>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the Standalone financial statements and our auditor's report thereon. The Board's Report including Annexures is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement of this other information, we are required to report that fact.



**Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

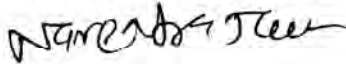
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations as at March 31, 2024, on its financial position in its standalone financial statements – Refer Note 33 to the standalone financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 34 to the standalone financial Statements.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024 – Refer Note 41 to the standalone financial statements.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; – Refer Note 44(iv) to the standalone financial statements.
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; – Refer Note 44(iv) to the standalone financial statements.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2024 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For Khandelwal Jain & Co.**  
Chartered Accountants  
Firm's Registration No. 105049W



**(Narendra Jain)**  
**Partner**  
Membership No. 048725  
**UDIN: 24048725BKEZCI2967**



Place: Mumbai  
Date: April 30, 2024

# KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

Website: www.kjco.net • E-mail: kjco@kjco.net

6-B&C, Pil Court, 6th Floor,  
111, M. Karve Road, Churchgate,  
Mumbai - 400 020.  
Tel.: (+91-22) 4311 5000  
Fax : 4311 5050

12-B, Baldota Bhavan, 5th Floor,  
117, M. Karve Road, Churchgate,  
Mumbai - 400 020.  
Tel.: (+91-22) 4311 6000  
Fax : 4311 6060

## Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirement's section of our report to the Members of **NSE Clearing Limited** of even date for the year ended March 31, 2024)

- i) a) A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name. Hence, provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) a) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made investments, but has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. In view of thereof, reporting under clause 3(iii)(a), (c), (d), (e) and (f) of the Order is not applicable. The Investments made during the year are, in our opinion, prima facie, not Prejudicial to the Company's interest.

- iv) According to information and explanations given to us, the Company has not granted loans or provided any guarantees or security to parties covered under Section 185 of the Act. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 186 of the Act in respect of the Investments made.
- v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board of National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii) a) According to the information and explanations given to us and on the basis of records examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax (GST) and other material statutory dues, as applicable. According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of Statute	Nature of the Dues	Period to which the amount relates (Financial Year)	Amount (in crores)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax and Interest thereon	1996-97	0.06	Joint Commissioner of Income Tax
2	Income Tax Act, 1961	Income Tax and Interest thereon	2011-12	0.44	Commissioner of Income Tax (Appeals)
3	Income Tax Act, 1961	Income Tax and Interest thereon	2014-15	46.55	Commissioner of Income Tax (Appeals)
4	Income Tax Act, 1961	Income Tax and Interest thereon	2016-17	8.62	Commissioner of Income Tax (Appeals)
5	Income Tax Act, 1961	Income Tax and Interest thereon	2017-18	44.90	Commissioner of Income Tax (Appeals)
6	Income Tax Act, 1961	Income Tax and Interest thereon	2019-20	76.89	Commissioner of Income Tax (Appeals), National

Sr. No.	Name of Statute	Nature of the Dues	Period to which the amount relates (Financial Year)	Amount (in crores)	Forum where the dispute is pending
7	Income Tax Act, 1961	DDT and Interest thereon	2019-20	22.98	Faceless Appeal Center, New Delhi
8	Income Tax Act, 1961	Income Tax and Interest thereon	2021-22	173.36	Commissioner of Income Tax (Appeals), National Faceless Appeal Center, New Delhi
9	Chapter V of Finance Act, 1944	Service Tax (including penalty)	July 2012 to June 2017	71.42*	Customs, Central Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai

\* plus applicable Interest

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company and hence, reporting on clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and hence, reporting on clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary and hence, reporting on clause 3(ix)(f) of the Order is not applicable.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provision of clause 3(x)(a) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) We hereby confirm that to the best of our knowledge and belief, there are no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management there are no whistle blower complaints received by the Company during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and section 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv) (a) In our opinion and based on our examination the Company has an internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports of the company issued till date, for the year under audit.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) As per the information and explanation, given to us there is only one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.



- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred Rs. 10.65 Crore, being unspent amount, to a special account on March 31, 2024 in compliance with section 135(6) of the said Act.

**For Khandelwal Jain & Co.**  
Chartered Accountants  
Firm's Registration No. 105049W



**(Narendra Jain)**  
**Partner**  
Membership No. 048725  
**UDIN: 24048725BKEZCI2967**



Place: Mumbai  
Date: April 30, 2024

6-B&C, Pil Court, 6th Floor,  
111, M. Karve Road, Churchgate,  
Mumbai - 400 020.  
Tel.: (+91-22) 4311 5000  
Fax : 4311 5050

12-B, Baldota Bhavan, 5th Floor,  
117, M. Karve Road, Churchgate,  
Mumbai - 400 020.  
Tel.: (+91-22) 4311 6000  
Fax : 4311 6060

### **Annexure 'B' to the Independent Auditor's Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **NSE Clearing Limited** of even date for the year ended March 31, 2024)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **NSE Clearing Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Khandelwal Jain & Co.**  
Chartered Accountants  
Firm's Registration No. 105049W

*Narendra Jain*

**(Narendra Jain)**  
**Partner**  
Membership No. 048725  
UDIN: **24048725BKEZCI2967**



Place: Mumbai  
Date: April 30, 2024

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(Rs.in Crores)

Particulars	Notes	As at 31.03.2024	As at 31.03.2023
<b>I ASSETS</b>			
<b>1 Non-current Assets</b>			
a Property, Plant and Equipments	2	76.85	88.73
b Capital work-in-progress	2	-	1.80
c Other Intangible Assets	3	12.16	18.20
d Intangible assets under development	3	-	0.32
e Financial assets			
i Investments	4	250.00	90.00
ii Non-current bank balances	5	1,474.26	506.23
iii Other Financial assets	6	50.72	5.85
f Income tax assets (net)	15	492.71	162.84
g Other Non-current assets	7	4.80	15.19
<b>Total Non-current Assets</b>		<b>2,361.50</b>	<b>889.16</b>
<b>2 Investments -Core Settlement Guarantee Fund</b>	11	<b>8,818.99</b>	<b>4,797.23</b>
<b>3 Investment earmarked towards SGF - Commodity derivatives</b>	5, 8 & 27	-	250.00
<b>4 Current Assets</b>			
a Financial Assets			
i Investments	8	696.08	545.07
ii Trade Receivables	9	211.35	62.73
iii Cash and Cash equivalents*	10	22,298.54	5,158.62
iv Bank balances other than cash and cash equivalents*	5	953.69	750.74
* Includes Rs 21,325.28 crores (March 2023: Rs 4,050.04 crores) pertaining to Settlement obligations and margin money from members.			
v Other Financial assets	6	357.49	73.52
b Other current assets	7	50.78	35.89
<b>Total Current Assets</b>		<b>24,567.93</b>	<b>6,626.58</b>
<b>TOTAL ASSETS</b>		<b>35,748.42</b>	<b>12,562.97</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a Equity Share capital	12 (a)	1,445.00	45.00
b Other Equity	12 (b)	1,702.15	1,239.44
<b>Total Equity</b>		<b>3,147.15</b>	<b>1,284.44</b>
<b>2 Core Settlement Guarantee Fund (Core SGF )</b>	26	<b>8,818.99</b>	<b>4,797.23</b>
<b>3 Settlement Guarantee Fund (SGF)- Commodity derivatives Liabilities</b>	27	-	250.00
<b>4 Non-current liabilities</b>			
a Provisions	19	15.90	14.47
b Deferred tax liabilities (Net)	13 (d)	12.73	8.24
<b>Total Non-current Liabilities</b>		<b>28.63</b>	<b>22.71</b>
<b>5 Current Liabilities</b>			
a Financial Liabilities			
i Deposits	16	1,995.25	1,776.14
ii Trade payable to ;	17		
Total Outstanding dues of micro enterprises and small enterprises		1.00	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		20.55	29.96
iii Other financial liabilities*	17	21,383.42	4,095.31
* Includes Rs.21,325.28 crores (March 2023: Rs.4,050.04 crores) pertaining to Settlement obligations and margin money from members.			
b Provisions	19	15.05	9.73
c Income tax liabilities (net)	14	73.60	73.59
d Other current liabilities	18	264.79	223.86
<b>Total Current Liabilities</b>		<b>23,753.65</b>	<b>6,208.59</b>
<b>Total Liabilities</b>		<b>32,601.27</b>	<b>11,278.53</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,748.42</b>	<b>12,562.97</b>

Summary of material and other accounting policies 1

The accompanying notes are an integral part of the financial statements

This is the Balance sheet referred to in our report of even date

For Khandelwal Jain & Co.

Chartered Accountants

Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN  
Partner  
Membership No.: 048725

Place : Mumbai  
Date : April 30, 2024



For and on behalf of the Board of Directors

*[Signature]*  
ABHAYA HOTA  
Chairman  
[DIN : 02593219]

*[Signature]*  
PRITI SALVA  
Director  
[DIN : 00662996]

*[Signature]*  
VIRRAM KOTHARI  
Managing Director & CEO  
[DIN : 07898773]

*[Signature]*  
AMIT AMLANI  
Chief Financial Officer

*[Signature]*  
RAVIN TANK  
Company Secretary



NSE CLEARING LIMITED

CIN: U67120MH1995PLC092283

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Notes	(Rs.in Crores)	
		For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Income</b>			
Revenue from operations	20	2,006.76	915.89
Other income	21	165.47	98.77
<b>Total Income</b>		<b>2,172.23</b>	<b>1,014.66</b>
<b>Expenses</b>			
Employee benefits expense	22	61.32	39.53
Depreciation and amortisation expense	2 & 3	44.67	40.72
Other expenses	23	279.32	203.04
<b>Total Expenses</b>		<b>385.31</b>	<b>283.29</b>
<b>Profit before exceptional item</b>		<b>1,786.92</b>	<b>731.37</b>
<b>Add/(Less) : Exceptional Items</b>			
Settlement - SEBI	35a	(22.88)	-
<b>Profit before tax</b>		<b>1,764.04</b>	<b>731.37</b>
<b>Less : Tax expenses</b>	13		
Current tax		445.00	182.78
Deferred tax		4.74	3.32
<b>Total tax expenses</b>		<b>449.74</b>	<b>186.11</b>
<b>Profit for the year (A)</b>		<b>1,314.30</b>	<b>545.26</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligations		(1.01)	(0.24)
<b>Income tax relating to items that will not be reclassified to profit or loss</b>			
Tax Remeasurements of post-employment benefit obligations		0.25	0.06
<b>Total Other Comprehensive Income for the year (B)</b>		<b>(0.76)</b>	<b>(0.18)</b>
<b>Total Comprehensive Income for the year (A+B)</b>		<b>1,313.54</b>	<b>545.08</b>
<b>Earnings per Equity Share ( FV Rs. 10 each ) ( before contributions to Core SGF )</b>			
Basic ( Rs.)	30	13.59	5.68
Diluted ( Rs.)	30	13.59	5.68

Summary of material and other accounting policies 1

The accompanying notes are an integral part of the financial statements.

This is the Statement of Profit & loss referred to in our report of even date

For Khandelwal Jain & Co.

Chartered Accountants

Firm Registration No : 105049W



NARENDRA JAIN

Partner

Membership No.: 048725

Place : Mumbai

Date : April 30, 2024

For and on behalf of the Board of Directors

ABHAYA HOTA

Chairman

[ DIN : 02593219 ]

PRITI SAVLA

Director

[ DIN : 00662996 ]

VIKRAM KOTHARI

Managing Director & CEO

[ DIN : 07898773 ]

AMIT AMLANI

Chief Financial Officer

RAVIN TANK

Company Secretary



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(A) Equity Share Capital	(Rs.in Crores)
Balance as at 01.04.2022	45.00
Changes in equity share capital during the year	-
Balance as at 31.03.2023	45.00
Changes in equity share capital during the year	1,400.00
Balance as at 31.03.2024	1,445.00

(B) Other Equity	(Rs.in Crores)			
		Reserves and Surplus		
	Capital Reserve	General reserve	Retained Earnings	Total
Balance at the 01.04.2022	10.00	244.71	820.12	1,074.83
Profit for the year			545.26	545.26
Other Comprehensive Income			(0.18)	(0.18)
Contribution to core SGF			(267.89)	(267.89)
Tax on contribution to Core SGF			67.42	67.42
Transaction with owners in their capacity as owners				
Dividend paid			(180.00)	(180.00)
Balance at the 01.04.2023	10.00	244.71	984.73	1,239.44
Profit for the year			1,314.30	1,314.30
Other Comprehensive Income			(0.76)	(0.76)
Contribution to core SGF (Refer Note 26)			(1,441.00)	(1,441.00)
Tax on contribution to Core SGF			362.67	362.67
Transfer from Settlement Guarantee Fund (SGF) - Commodity derivatives (Refer Note 27)		250.00	-	250.00
Transaction with owners in their capacity as owners				
Dividends paid			(22.50)	(22.50)
Balance at the 31.03.2024	10.00	494.71	1,197.44	1,702.15

The accompanying notes are an integral part of the financial statements.

This is the statement of changes in equity referred to in our report of even date

For Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No : 105049W

*Narendra Jain*

NARENDRA JAIN  
Partner  
Membership No.: 048725

Place : Mumbai  
Date : April 30, 2024



For and on behalf of the Board of Directors

*Abhaya Hota*

ABHAYA HOTA  
Chairman  
[ DIN : 02593219 ]

*Amit Amlani*

AMIT AMLANI  
Chief Financial Officer

*Priti Savla*

PRITI SAVLA  
Director  
[ DIN : 00662996 ]

*Ravin Tank*

RAVIN TANK  
Company Secretary

*Vikram Kothari*

VIKRAM KOTHARI  
Managing Director & CEO  
[ DIN : 07898773 ]



STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

	For the year ended 31.03.2024	(Rs. in Crores) For the year ended 31.03.2023
<b>A) CASHFLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX	1,764.04	731.37
<b>Add/(Less) :- Adjustments for :</b>		
- Depreciation	44.67	40.72
- Net gain on financial assets mandatorily measured at Fair Value through Profit or Loss	(45.41)	(27.79)
- Share Issue Expenses	2.87	-
- Provision for doubtful debts	0.40	0.06
<b>Less : Adjustments for :</b>		
- Interest income on Bank deposit	(117.43)	(63.23)
- Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	(1.17)	(2.28)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>1,647.97</u>	<u>678.85</u>
<b>Adjustments for :</b>		
Decrease/(Increase) in Trade Receivable	(149.03)	(16.04)
Increase / (Decrease) in Trade payables	(8.40)	9.13
Decrease/(Increase) in other financial assets	0.05	0.20
Decrease/(Increase) in Other Assets	(4.49)	(28.75)
Increase / (Decrease) in Other Financial Liabilities	17,289.89	(4,501.55)
Increase / (Decrease) in Provision	5.75	4.12
Increase /(Decrease) in Other Liabilities	40.92	(14.24)
Proceed of Deposit from Trading member / applicant	342.64	716.93
Refund of deposit from trading members / applicant	(123.54)	(160.73)
<b>CASH GENERATED FROM OPERATIONS</b>	<u>19,041.76</u>	<u>(3,312.08)</u>
Contribution to Core SGF	(1,441.00)	(267.89)
Direct Taxes paid (Net of Refunds)	(412.20)	(194.64)
<b>NET CASH FROM OPERATING ACTIVITIES - Total (A)</b>	<u>17,188.56</u>	<u>(3,774.61)</u>
<b>B) CASHFLOW FROM INVESTING ACTIVITIES</b>		
Investment in Equity Share Capital of Subsidiary	(160.00)	-
Purchase of Property, Plant and Equipment's/ Capital work-in-progress	(26.42)	(29.77)
Interest received	(211.46)	48.14
(Increase)/Decrease in Fixed deposit	(1,069.55)	(86.79)
Purchases of Investment	44.14	(138.67)
<b>NET CASH USED IN INVESTING ACTIVITIES - Total (B)</b>	<u>(1,423.29)</u>	<u>(207.09)</u>
<b>C) CASHFLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid (inclusive of corporate dividend tax)	(22.50)	(180.00)
Issue of Equity Shares	1,400.00	-
Share Issue Expenses	(2.87)	-
<b>NET CASH FROM FINANCING ACTIVITIES - Total (C)</b>	<u>1,374.63</u>	<u>(180.00)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<u>17,139.92</u>	<u>(4,161.72)</u>
<b>CASH AND CASH EQUIVALENTS : OPENING BALANCE*</b>	5,158.62	9,320.34
<b>CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE*</b>	22,298.54	5,158.62
* Includes amount received from Settlement obligations and margin money from members (Refer to note 10 & 17)		
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<u>17,139.92</u>	<u>(4,161.72)</u>

Notes to Cash Flow Statement :

- Cash and Cash equivalent represent bank balances and balances in fixed deposit accounts.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind-AS 7 on Statement of Cash Flow notified under Companies (Indian Accounting Standards) Rules, 2015
- The above Cash Flow excludes cash flow pertaining to Core SGF.
- Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification / disclosure.

The accompanying notes are an integral part of the financial statements.

This is the statement of cash flow referred to in our report of even date.

For Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No : 105049W

*Narendra Jain*

NARENDRA JAIN  
Partner  
Membership No.: 048725

Place : Mumbai  
Date : April 30, 2024



For and on behalf of the Board of Directors

*Abhaya Hota*  
ABHAYA HOTA  
Chairman  
[ DIN : 02593219 ]

*Amrta Amlani*  
AMRITA AMLANI  
Chief Financial Officer

*Priti Savla*  
PRITI SAVLA  
Director  
[ DIN : 00662996 ]

*Ravin Tank*  
RAVIN TANK  
Company Secretary

*Vikram Kothari*  
VIKRAM KOTHARI  
Managing Director & CEO  
[ DIN : 07898773 ]



## Background and Material and other Accounting Policies

### Background

The NSE Clearing Limited (NCL) (formerly known as National Securities Clearing Corporation Limited), a wholly owned subsidiary of NSE, was incorporated in August 1995. It was the first clearing corporation to be established in the country and also the first clearing corporation in the country to introduce settlement guarantee. It was set up to bring and sustain confidence in clearing and settlement of securities, to promote and maintain, short and consistent settlement cycles, to provide counter-party risk guarantee, and to operate a tight risk containment system.

### Note 1 (A) : Material accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

##### (i) Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendments thereto.

The financial statements for the year ended March 31, 2024 has been approved by the Board of directors of the Company in their meeting held on April 30, 2024.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair

#### (b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

- (i) Clearing and Settlement charges, IT & support charges and processing charges are recognized on accrual basis as and when the services are rendered.
- (ii) In respect of Members who have been declared as defaulters by the Company all amounts (dues) remaining to be recovered, net of available security and insurance cover available if any, till the date of being declared as defaulters are written off as bad debts. All subsequent recoveries are accounted when received.



Shortages arising after the date of declaration of default are written off as bad debts in the year in which it arises, after exhausting all remedies including forfeiture of securities and insurance cover available if any.

Other overdue amounts are provided for as doubtful debts or are written off as bad debts, if the same are considered doubtful/irrecoverable in the opinion of the management.

- (iii) Penal Charges, in the year of declaration of default, in respect of shortages due from the respective member, are booked to the extent such charges are recoverable.
- (iv) Other insurance claims are accounted on accrual basis when the claims become due and payable.
- (v) Income excludes applicable taxes and other levies

**(c) Income taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



**(d) Impairment of assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(e) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

Restricted cash:

Other bank balances comprise of Fixed deposits with maturity of more than three months and less than twelve months, other financial assets contains Fixed deposits with maturity of more than one year. This deposits are restricted balance and with lien for advances received from issuer of securities and advance received from defaulting members.

**(f) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(g) Investments and other financial assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.



The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be reliably measured.

**(h) Property, plant and equipment (including CWIP)**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value



Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Furniture and fixture	5 to 10 years
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years
Clearing and Settlement Systems	4 years

The property, plant and equipment including land acquired under finance leases is depreciated over the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

**(i) Intangible assets**

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.



Standard packaged software products are written off in the year of purchase.

Computer software is amortised over a period of 4 years.

**(j) Provisions**

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

**(k) Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote.

**(l) Employee benefits**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the year in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating



to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Holding company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iv) Defined contribution plans

Provident fund

Provident Fund: The company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

Superannuation

Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Holding Company. The contribution payable for the year is charged to revenue. There are no other obligations other than the annual contribution payable.



(v) Bonus plans

1. The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.
2. SEBI has laid down certain norms in terms of the compensation policy for the key management personnel which are as under :
  - A. The variable pay component will not exceed one third of the total pay.
  - B. 50% of the variable pay will be paid on a deferred basis after three years.

(m) Core Settlement Guarantee Funds

As per SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014 every recognised clearing corporation shall establish and maintain a Fund for each segment, to guarantee the settlement of trades executed in that respective segment of a recognised stock exchange. The Clearing Corporation shall have a fund called Core SGF for each segment of each Recognised Stock Exchange to guarantee the settlement of trades executed in the respective segment of the Stock Exchange. In the event of a clearing member(member) failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The Core SGF shall be contributed by Clearing Corporation, Stock Exchanges and the clearing members, in a manner as prescribed by SEBI. This fund is represented by earmarked Core SGF investments. The income earned on such investments is credited to the respective contributor's funds and adjusted towards incremental requirement of Minimum Required Corpus (MRC) as per SEBI letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018. Penalties and fines levied by the Company are transferred to Core SGF as Other Contributions.

(n) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Critical Accounting Estimates And Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher



degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgements are:**

Estimation of current tax expense and payable Note 13, 14 and 15  
Estimated useful life of intangible asset Note 3  
Estimation of defined benefit obligation Note 25  
Estimation of fair values of contingent liabilities refer Note 32, 33 and 35  
Estimation of Variable and Performance Pay

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**(q) Operating Cycle**

Based on the activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**Note 1 (B) : Other accounting policies**

**(a) Foreign currency translation and transactions**

**(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income



when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

**(b) Leases**

**As a lessee**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

**As a lessor**

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

**(c) Financial liabilities**

*(i) Initial recognition and measurement*

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

*(ii) Subsequent measurement*

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

*(iii) Derecognition*

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.



**(d) Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(e) Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

**(f) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(g) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(h) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

**(i) Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the Company.



	OFFICE EQUIPMENTS	FURNITURE AND FIXTURES	COMPUTER SYS - OFF AUTOM	TELECOM MUNICATI ON SYSTEMS	CLEARING AND SETTLEME NT SYSTEM	Total	Capital Work in Progress
<b>As at March 31, 2023</b>							
<b>Gross carrying amount</b>							
Opening gross carrying amount	-	0.06	0.26	39.71	89.52	129.56	20.40
Additions	-	-	-	25.34	15.61	40.95	1.80
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	(20.40)
<b>Closing gross carrying amount</b>	-	<b>0.06</b>	<b>0.26</b>	<b>65.06</b>	<b>105.13</b>	<b>170.51</b>	<b>1.80</b>
<b>Accumulated depreciation</b>							
Opening accumulated depreciation	0.00	0.06	0.23	9.11	37.88	47.28	-
Depreciation for the year	-	-	0.01	14.48	20.01	34.50	-
Disposals	-	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>0.00</b>	<b>0.06</b>	<b>0.24</b>	<b>23.59</b>	<b>57.89</b>	<b>81.78</b>	<b>-</b>
<b>Net carrying amount</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>0.02</b>	<b>41.47</b>	<b>47.25</b>	<b>88.73</b>	<b>1.80</b>
<b>As at March 31, 2024</b>							
<b>Gross carrying amount</b>							
Opening gross carrying amount	-	0.06	0.26	65.06	105.13	170.51	1.80
Additions	-	-	-	7.85	18.55	26.40	-
Disposals	-	-	-	-	-	-	(1.80)
Transfers	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	-	<b>0.06</b>	<b>0.26</b>	<b>72.91</b>	<b>123.68</b>	<b>196.92</b>	<b>0.00</b>
<b>Accumulated depreciation</b>							
Opening accumulated depreciation	0.00	0.06	0.24	23.59	57.89	81.78	-
Depreciation for the year	-	-	0.01	15.81	22.50	38.32	-
Disposals	-	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>0.00</b>	<b>0.06</b>	<b>0.24</b>	<b>39.40</b>	<b>80.39</b>	<b>120.09</b>	<b>-</b>
<b>Net carrying amount</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>0.02</b>	<b>33.50</b>	<b>43.29</b>	<b>76.85</b>	<b>0.00</b>

## Capital-work-in progress ageing as on 31.03.2024

(Rs. in Crores)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

(Rs. in Crores)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
whose completion is overdue	-	-	-	-	-
has exceeded its cost compared to its original plan	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

## Capital-work-in progress ageing as on 31.03.2023

(Rs. in Crores)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1.80	-	-	-	1.80
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.80</b>

(Rs. in Crores)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Whose completion is overdue	-	-	-	-	-
Has exceeded its cost compared to its original plan	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Note 3: Intangible Assets**

(Rs. in Crores)

	COMPUTER SOFTWARE	Intangible assets under development
<b>As at March 31, 2023</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	31.99	8.12
Additions	16.75	0.32
Disposals	-	-
Transfers	-	(8.12)
<b>Closing gross carrying amount</b>	<b>48.74</b>	<b>0.32</b>
<b>Accumulated Amortisation and impairment</b>		
Opening accumulated Amortisation	24.31	-
Amortisation for the year	6.23	-
Disposals	-	-
<b>Closing amortization</b>	<b>30.54</b>	<b>-</b>
<b>Net carrying amount</b>	<b>18.20</b>	<b>0.32</b>

<b>As at March 31, 2024</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	48.74	0.32
Additions	0.32	-
Disposals	-	-
Transfers	-	(0.32)
<b>Closing gross carrying amount</b>	<b>49.06</b>	<b>-</b>
<b>Accumulated Amortisation and impairment</b>		
Opening accumulated Amortisation	30.54	-
Amortisation for the year	6.36	-
<b>Closing amortization</b>	<b>36.90</b>	<b>-</b>
<b>Net carrying amount</b>	<b>12.16</b>	<b>-</b>

**Significant estimate: Useful life of intangible assets under development**

The Company has completed the development of software that is used to in its various business processes. As at 31 March 2024, the net carrying amount of this software was Rs. 12.16 crores (31 March 2023: Rs. 18.20 crore). The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations and competitor actions.

**Intangible assets under development ageing as on 31.03.2024 (Rs. in Crores)**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Rs. in Crores)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Whose completion is overdue	-	-	-	-	-
Has exceeded its cost compared to its original plan	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Intangible assets under development ageing as on 31.03.2023 (Rs. in Crores)**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.32	-	-	-	0.32
projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.32</b>

(Rs. in Crores)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Whose completion is overdue	-	-	-	-	-
Has exceeded its cost compared to its original plan	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note 4 NON CURRENT INVESTMENTS

		31.03.2024		31.03.2023	
		Number of Units/Shares	(Rs. in Crores)	Number of Units/Shares	(Rs. in Crores)
I	<b>Investment in equity instruments (fully paid up)</b>				
	<b>Unquoted equity instruments at cost</b>				
	<b>In subsidiary companies</b>				
	NSE IFSC Clearing Corporation Limited **	25,00,00,000	250.00	9,00,00,000	90.00
	<b>In Others</b>				
	NSE Foundation (Section 8 Company) [* Re.1/- (Previous Year Re.1/- )]	6,000	-*	6,000.00	-*
	<b>Total equity instruments</b>		250.00		90.00
II	<b>Investment in government securities at amortised cost</b>				
	5.15 Government of India 9 November 2025	2,25,00,000	225.05	2,25,00,000	222.26
	5.22 GOVERNMENT OF INDIA 15 JUN 2025	5,10,00,000	507.99	5,10,00,000	499.70
	5.63 Government of India 12 April 2026	4,15,00,000	414.73	4,15,00,000	409.38
	5.74 Government of India - 15 November 2026	3,85,00,000	383.30	3,80,00,000	374.83
	6.18 GOVERNMENT OF INDIA 2024- 04 Nov 2024	-	-	85,00,000	86.52
	6.69 Government of India 27 June 2024	-	-	5,00,00,000	507.25
	6.79 GOVERNMENT OF INDIA - 15 MAY 2027	4,35,00,000	441.67	4,35,00,000	440.32
	6.97 GOVERNMENT OF INDIA - 06 SEP 2026	55,00,000	54.87	55,00,000	54.71
	7.35 Government of India 22 June 2024	-	-	1,95,00,000	200.42
	7.38 GOVERNMENT OF INDIA 20 JUNE 2027	4,30,00,000	440.39	4,30,00,000	440.78
	7.06 Government Of India 10 April 2028	5,00,00,000	516.11	-	-
	6.54 Government Of India - 17 Jan 2032	9,75,00,000	950.37	-	-
	7.26 Government Of India 14 Jan 2029	1,00,00,000	101.51	-	-
	7.17 Government Of India -17 Apr 2030	25,00,000	25.70	-	-
	7.10 Government Of India 18 April 2029	2,60,00,000	267.84	-	-
	6.10 Government Of India 12 July 2031***	5,00,00,000	479.45	-	-
	6.67 Government Of India 15 December 2035	3,15,00,000	310.26	-	-
	6.64 Government Of India 16 June 2035	1,00,00,000	98.43	-	-
	<b>Total government securities</b>		5,217.67		3,236.17
	<b>Less :</b>				
	Amount disclosed under Core SGF investments (refer Note11)		(5,217.67)		(3,236.17)
	<b>Total non-current investments</b>		250.00		90.00
	Aggregate amount of book value of quoted investments		5,217.67		3,236.17
	Aggregate amount of quoted investments and market value thereof		5,229.00		3,227.02
	Aggregate amount of book value of unquoted investments		250.00		90.00

\* Re 1/-

NSE Foundation was incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited. Accordingly, the investment in the company had been written down to Re. 1/-. Accordingly, the Company had written off investment in NSE Foundation amounting to Rs. 59,999/- by debiting the Statement of Profit and Loss.

\*\*Investment during the year in Right issue of subsidiary company Rs.160 crores ( Previous year Rs. Nil )

\*\*\*Includes Rs. 383.81 crores (Face Value Rs. 400 crores) Government Securities credited to SGL A/c on settlement date April 2, 2024 (Refer note 11)



5 Other bank balances

	Non-current		Current	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	(Rs. in Crores)		(Rs. in Crores)	
Deposits with original maturity for more than 12 months #	1,474.26	506.23	932.89	521.67
Earmarked Deposits with original maturity for more than 12 months	1,165.12	35.13	9.55	532.22
Deposits with original maturity for more than 3 months but less than 12 months #	-	-	-	206.14
Earmarked Deposits with original maturity for more than 3 months but less than 12 months #	-	-	17.78	61.83
Deposits with original maturity for less than 3 months (Earmarked towards unspent CSR Expenses)	-	-	10.65	-
Earmarked Deposits with original maturity for less than 3 months	-	-	-	1.22
Earmarked Deposits with original maturity less than 12 months*	-	-	8.25	20.98
Unspent CSR Bank Balance			1.89	1.96
<b>Total</b>	<b>2,639.37</b>	<b>541.36</b>	<b>981.02</b>	<b>1,346.02</b>
<b>Less :</b>				
Amount disclosed under Core SGF Investments (note 11)	1,165.12	1.30	27.33	527.68
Amount disclosed under Investments -SGF for Commodity segment (refer Note 27)	-	33.83	-	67.60
<b>Total</b>	<b>1,165.12</b>	<b>506.23</b>	<b>953.69</b>	<b>750.74</b>

\* Earmarked towards withheld payouts.

# Other bank balances & Cash and cash equivalents Includes Rs. 21,325.28 crores (March 2023: Rs. 4,050.04 crores) pertaining to Settlement obligations and margin money from members

6 Others Financial Assets

	Non-current		Current	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	(Rs. in Crores)		(Rs. in Crores)	
Advances recoverable in cash Unsecured, considered good	-	-	0.34	0.28
Other loans and advances				
Security Deposits	0.25	0.22	-	-
Others				
Interest accrued on Bank deposits	50.48	5.63	357.15	73.10
Other receivable - from related party (refer note 29)	-	-	-	0.14
<b>Total</b>	<b>50.72</b>	<b>5.85</b>	<b>357.49</b>	<b>73.52</b>

7 Others Assets

	Non-current		Current	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	(Rs. in Crores)		(Rs. in Crores)	
Balances with GST authorities	-	-	13.99	3.70
Deposits with GST authorities	-	-	2.78	2.78
Capital Advance	0.83	-	-	-
Other receivable*	-	-	6.19	6.18
Prepaid expenses	3.97	15.19	27.81	23.23
<b>Total</b>	<b>4.80</b>	<b>15.19</b>	<b>50.78</b>	<b>35.89</b>

\* Other receivable is Deposits with Supreme Court pursuant to its directives in a case filed by the Company with regard to sale of collateral securities with the company of a defaulter member.



Note 8 CURRENT INVESTMENTS

	31.03.2024		31.03.2023	
	Number of Units	Rs. In crores	Number of Units	Rs. In crores
<b>B) Investment in government securities</b>				
<b>Quoted bonds at amortised cost</b>				
8.83 Government of India - 25 Nov 2023	-	-	2,50,00,000.00	263.57
7.68 Government of India 2023- 15-Dec-2023	-	-	3,95,00,000.00	409.90
7.16 Government of India - 20 May 2023	-	-	1,00,00,000.00	102.93
7.35 Government of India 22 June 2024	1,95,00,000	199.20	-	-
6.69 Government of India 27 June 2024	5,00,00,000	508.63	-	-
6.18 Government of India 2024- 04 Nov 2024	85,00,000	86.93	-	-
091 Days Treasury Bill 16 May 2024	3,00,00,000	297.36	-	-
<b>Total government securities</b>		<b>1,092.12</b>		<b>776.40</b>
<b>II Investment in mutual funds</b>				
<b>Un-quoted investments in mutual funds at FVPL</b>				
ADITYA BIRLA SUN LIFE LIQUID FUND - DIRECT - GROWTH	22,94,990	89.43	11,97,511	43.47
AXIS LIQUID FUND -DIRECT - GROWTH	1,69,498	45.49	1,69,498	42.38
HDFC LIQUID FUND - DIRECT - GROWTH	63,923	30.32	1,31,057	57.97
HSBC CASH FUND DIRECT GROWTH	8,59,943	206.90	7,28,622	163.37
ICICI PRUDENTIAL LIQUID - DIRECT PLAN - GROWTH	34,94,969	124.91	6,92,893	23.09
INVESCO INDIA LIQUID FUND - DIRECT - GROWTH	4,88,640	161.98	3,36,244	103.90
MIRAE ASSET CASH MANAGEMENT FUND - DIRECT PLAN - GROWTH	2,87,495	73.32	2,87,495	68.33
NIPPON INDIA LIQUID FUND - DIRECT - GROWTH	-	-	57,421	31.62
SBI PREMIER LIQUID FUND - DIRECT - GROWTH	1,22,888	46.44	76,128	26.82
UTI LIQUID FUND - CASH PLAN -DIRECT- GROWTH	4,44,688	176.01	35,777	13.20
BANDHAN LIQUID FUND - DIRECT - GROWTH	2,19,141	63.93	2,19,141	59.58
LIC MF LIQUID FUND - DIRECT - GROWTH	1,68,448	73.87	1,46,557	59.91
SBI LIQUID FUND - DIRECT - GROWTH**	41,918	15.84	-	-
<b>Total mutual fund</b>		<b>1,108.44</b>		<b>693.64</b>
<b>Less :</b>				
Amount disclosed under Investments -SGF for Commodity segment (refer Note 27)				
Mutual Funds				(148.57)
<b>Less :</b>				
<b>Amount disclosed under Core SGF investments (refer Note11 )</b>				
Government Securities		(1,092.12)		(776.40)
Mutual Funds		(412.36)		
<b>Total current investments</b>		<b>696.08</b>		<b>545.07</b>
Aggregate amount of book value of quoted investments		1,092.12		776.40
Aggregate amount of quoted investments and market value thereof		1,094.16		768.26
Aggregate amount of book value of unquoted investments		1,108.44		693.64

\* De-earmarked as per approval from SEBI.

\*\* Earmarked towards withheld payouts





## 11 Core SGF investments

## Non-Current

Fixed Deposits	1,165.12	1.30
Government securities & Treasury Bills	5,217.67	3,236.17
Accrued interest	36.47	0.19
Income Tax Assets	3.89	5.70
<b>Total Non-Current</b>	<b>6,423.14</b>	<b>3,243.36</b>

## Current

Fixed Deposits	27.33	527.68
Government securities & Treasury Bills	1,092.12	776.40
Mutual Fund	412.36	-
Cash and cash equivalents	1,225.21	222.47
Accrued interest	22.64	27.32
<b>Total Current</b>	<b>2,779.66</b>	<b>1,553.87</b>

## Less:

Payable towards unsettled investment in Govt. Sec Settled on April 2, 2024 (Refer Note 4 & 17)

## Total Core-SGF Investments

31.03.2024	31.03.2023
(Rs. in Crores)	
1,165.12	1.30
5,217.67	3,236.17
36.47	0.19
3.89	5.70
6,423.14	3,243.36
27.33	527.68
1,092.12	776.40
412.36	-
1,225.21	222.47
22.64	27.32
2,779.66	1,553.87
383.81	-
8,818.99	4,797.23

## 12 (a) Share Capital

## Authorised

500,00,00,000 (Previous Year: 4,50,00,000) Equity Shares of Rs 10 each.

## Issued, Subscribed and Paid-up

1,44,50,00,000 (Previous Year: 4,50,00,000) Equity Shares of Rs.10 each fully paid up  
(all the above shares are held by the holding company- National Stock Exchange of India Limited and its nominees)

## Total

31.03.2024	31.03.2023
(Rs. in Crores)	
5,000.00	45.00
1,445.00	45.00
1,445.00	45.00

## Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

Particulars	Aggregate No. of Shares				
	2022-23	2021-22	2020-21	2019-20	2018-19
Equity Shares	-	-	-	-	-
Fully paid up by way of Bonus Shares	-	-	-	-	-

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

	31.03.2024		31.03.2023	
	Number	(Rs. in Crores)	Number	(Rs. in Crores)
At the beginning of the year	4,50,00,000	45.00	4,50,00,000	45.00
Add: Issued during the year	1,40,00,00,000	1,400.00	-	-
At the end of the year	1,44,50,00,000	1,445.00	4,50,00,000	45.00

## Details of shareholders holding more than 5% share in the company.

	31.03.2024		31.03.2023	
	Number	% holding	Number	% holding
National Stock Exchange of India Limited (Holding Company) and its nominees	1,44,50,00,000	100%	4,50,00,000	100%

## Promoter's Shareholding :

Particulars	31.03.2024			31.03.2023		
	Number	% of Total Shares	% Change during the year	Number	% of Total Shares	% Change during the year
Shares held by the Promoter at the end of the Year	1,44,50,00,000	100%	-	4,50,00,000	100%	-

## Increase in Authorised Share Capital

During the year 2023-24, the Authorised share capital has been increased from Rs. 45 crores to Rs. 5,000 crores.

## Right Issue

The Company in its Letter of Offer dated March 18, 2024 offered 140,00,00,000 equity shares by way of Rights issue at a face value of Rs 10 each and at a price of Rs 10 per equity share. The issue opened on March 22, 2024. The Company allotted 140,00,00,000 equity shares on March 27, 2024 on the basis of allotment approved by the Board of Directors aggregating to Rs. 1,400 crores.

The proceeds of the said Right issue have been fully utilised towards contribution to Core Settlement Guarantee Fund as per terms of the letter of offer for rights issue.

Pursuant to the allotment of equity shares on rights basis, basic and diluted earnings per share have been adjusted retrospectively for the bonus element in respect of rights issue in accordance with Ind AS 33 (Refer Note 30)

## Capital management

The Company considers the following components of its Balance Sheet to be managed capital:  
Total equity (as shown in the balance sheet) - retained profit, other reserves, share capital

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods. Refer note 12(b) for the final dividends declared and paid.

## Compliance with externally imposed capital requirements:

Compliance with externally imposed capital requirements:

Capital requirement of Company is regulated by Securities and Exchange Board of India (SEBI). SEBI vide Regulation 14(3) of SECC Regulations 2018 adopted risk-based approach towards computation of capital and net worth requirement for Clearing Corporations(CC) to adequately cover counterparty credit risk, business risk, orderly Wind-down and operational & legal risk. As per Regulation 14(3) (c) of SECC Regulations 2018 every CC shall have a minimum net worth of Rs.100 crores or networth Computed as per the risk-based approach as may specified by SEBI from time to time, whichever is higher.

Accordingly, SEBI vide circular Ref No. SEBI/HO/MRD/DRMP/CIR/P/2019/55 dated April 10, 2019 issued granular norms related to computation of risk based capital and net worth requirement for CCs effective from FY2019-20. The networth requirement for the Company calculated as per the above SEBI circular is Rs.2,043.36 crores. Minimum requirement of Net worth is maintained throughout the year ended March 31, 2024.



Note 12 (b): Other equity

Other Equity	Reserves and Surplus			(Rs.in Crores)
	Capital Reserve	General reserve	Retained Earnings	Total
<b>Balance at the 01.04.2022</b>	10.00	244.71	820.12	1,074.83
Profit for the year			545.26	545.26
Other Comprehensive Income			(0.18)	(0.18)
Contribution to core SGF (Refer Note 26)			(267.89)	(267.89)
Tax on contribution to Core SGF			67.42	67.42
<b>Transaction with owners in their capacity as owners</b>				
Dividends paid*			(180.00)	(180.00)
<b>Balance at the 01.04.2023</b>	<b>10.00</b>	<b>244.71</b>	<b>984.73</b>	<b>1,239.44</b>
Profit for the Year			1,314.30	1,314.30
Other Comprehensive Income			(0.76)	(0.76)
Contribution to core SGF (Refer Note 26)			(1,441.00)	(1,441.00)
Transfer from Settlement Guarantee Fund (SGF) - Commodity derivatives (Refer Note 27)		250.00		250.00
Tax on contribution to Core SGF			362.67	362.67
<b>Transaction with owners in their capacity as owners</b>				
Dividends paid #			(22.50)	(22.50)
<b>Balance as at 31.03.2024</b>	<b>10.00</b>	<b>494.71</b>	<b>1,197.44</b>	<b>1,702.15</b>

The Board of directors, in their meeting on April 30, 2024 proposed a dividend of Rs. 0.2 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend proposed for the year ended March 31, 2024 amounted to Rs. 28.90 crores.

- # During the year ended March 31, 2024, the amount of per share dividend recognized as distribution to equity shareholders was Rs.5/- per equity share. The dividend paid during the year ended March 31, 2024 amounted to Rs.22.50 crore.
- \* During the year ended March 31, 2023, the amount of per share dividend recognized as distribution to equity shareholders was Rs.40/- per equity share. The dividend paid during the year ended March 31, 2023 amounted to Rs.180.00 crore.



	31.03.2024	31.03.2023
	(Rs. in Crores)	
<b>a) The major components of income tax expense statement of profit and loss</b>		
<u>Statement of profit and loss</u>		
<u>Current Tax</u>		
Current tax on profit for the year	445.00	182.78
Adjustment for current tax of prior periods	-	-
<b>Total current tax expense</b>	<b>445.00</b>	<b>182.78</b>
<u>Deferred tax expense (income)</u>		
Decrease (increase) in deferred tax assets	(1.83)	(0.62)
(Decrease) increase in deferred tax liabilities	6.57	3.95
<b>Total deferred tax expense (benefit)</b>	<b>4.74</b>	<b>3.32</b>
<b>Total for statement of profit and loss</b>	<b>449.74</b>	<b>186.11</b>
<u>OCI section</u>		
Related to items recognised in OCI during in the year:		
Re-measurement of the defined benefit( liability) / asset	0.25	0.06
<b>Income tax charged to Other Comprehensive Income</b>	<b>0.25</b>	<b>0.06</b>

- b) As per section 115BAA of the Income Tax Act, 1961, existing domestic companies can exercise the option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/incentives. Once exercised, such an option cannot be withdrawn for the same or subsequent Assessment Years. The provision for current and deferred taxes w.e.f. 01.04.2021 have been recognised on the basis of the Company availing such option to pay income tax at lower rate as per section 115BAA.

	31.03.2024	31.03.2023
	(Rs. in Crores)	
<b>c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>		
Profit before income tax expense	1,764.04	731.37
Tax rate (%)	25.168%	25.168%
Tax at the Indian Tax Rate	443.97	184.07
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>		
(Profit)/Loss on sale of investments taxed at other than Statutory rate	(3.58)	0.15
CSR Expenses	2.68	1.97
Prior Period	0.76	-
SEBI penalty	5.76	-
Provision for expenses	-	-
MTM realized on sale of investments	-	-
Others	0.16	(0.09)
<b>Income Tax Expense</b>	<b>449.74</b>	<b>186.11</b>

d) Deferred tax liabilities (net)		
The balance comprises temporary differences attributable to:		
Particulars	31.03.2024	31.03.2023
	(Rs. in Crores)	
<b>Deferred income tax assets</b>		
Others	7.42	5.33
<b>Total deferred tax assets (a)</b>	<b>7.42</b>	<b>5.33</b>
<b>Deferred income tax liabilities</b>		
Property, plant and equipment and investment property	(2.02)	0.39
Financial Assets at Fair Value through profit and Loss	22.16	13.18
<b>Total deferred tax liabilities (b)</b>	<b>20.14</b>	<b>13.57</b>
<b>Net Deferred Tax Assets/(Liabilities) (a)-(b)</b>	<b>(12.73)</b>	<b>(8.24)</b>

e) Movement in Deferred Tax Assets					
(Rs. in Crores)					
Particulars	Property, plant and equipment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Others (Gratuity, PBVP, LE)	Total
<b>At 1st April 2022</b>	-	-	-	4.65	4.65
(Charged) / Credited					
- to profit or loss	-	-	-	0.62	0.62
- to other comprehensive income	-	-	-	0.06	0.06
<b>At 31st March 2023</b>	-	-	-	5.33	5.33
(Charged)/ Credited					
- to profit or loss	-	-	-	1.83	1.83
- to other comprehensive income	-	-	-	0.25	0.25
<b>At 31st March 2024</b>	-	-	-	7.42	7.42



f) Movement in Deferred Tax liabilities	(Rs. in Crores)					
	Particulars	Property, plant and equipment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Others	Total
At 1st April 2022		1.49	8.13	-	-	9.63
Charged / (Credited)						
- to profit or loss		(1.10)	5.05	-	-	3.95
- to other comprehensive income		-	-	-	-	-
At 31st March 2023		0.39	13.18	-	-	13.57
Charged / (Credited)						
- to profit or loss		(2.41)	8.98	-	-	6.57
- to other comprehensive income		-	-	-	-	-
At 31st March 2024		(2.02)	22.16	-	-	20.14

- g) The company recognizes MAT credit available as an asset only to the extent there is reasonable certainty that the company will pay normal income tax during the specified period. Accordingly, MAT credit entitlement not recognized in books of accounts till March 31, 2023 is Rs.119.29 crore out of which MAT credit entitlement to be carried forward is Rs.NIL. Further, if even the MAT credit will be recognised the same will be directly credited to reserves and not the statement to profit & loss account as the same is arising out of contribution to Core SGF.

14	<b>Income tax liabilities (net)</b> Income Tax (Net of Advances)	31.03.2024	31.03.2023
		(Rs. in Crores)	
		73.60	73.59
15	<b>Income tax assets (net)</b> Income Tax paid including TDS (Net of Provisions)	31.03.2024	31.03.2023
		(Rs. in Crores)	
		492.71	162.84
16	<b>Deposits (Unsecured)</b>	Current	
		31.03.2024	31.03.2023
		(Rs. in Crores)	
	Security Deposit from Clearing Members	348.54	344.45
	Security Deposit in lieu of Bank Guarantee/securities	106.72	94.04
	Deposits from applicants for membership	2.08	2.08
	Deposits from Clearing Banks	1,537.91	1,335.57
	<b>Total</b>	<b>1,995.25</b>	<b>1,776.14</b>
17	<b>Other financial liabilities</b>	Current	
		31.03.2024	31.03.2023
		(Rs. in Crores)	
	<b>Trade payables</b>		
	Trade Payable to Micro and Small Enterprises	1.00	-
	Trade Payable to other than Micro and Small Enterprises	12.65	28.89
	Trade payables to related parties (Refer Note 29)	7.90	1.07
		21.55	29.96
	<b>Others</b>		
	Margins From Members	17,716.05	3,867.33
	Settlement Obligations payable	3,609.23	182.71
	Creditor for Capital Expenditure	0.54	2.32
	Payable towards investment in Govt. Sec	383.81	-
	Other liabilities	57.60	42.95
		21,767.23	4,095.31
	Less: Amount disclosed under Core SGF (Refer Note 11)	(383.81)	-
	<b>Total</b>	<b>21,383.42</b>	<b>4,095.31</b>
	<b>Total</b>	<b>21,404.97</b>	<b>4,125.27</b>

Trade payables include outstanding amounts of Rs. 1.00 crores (Previous Year; Rs. NIL) (including interest of Rs. Nil, (Previous Year Rs. Nil) payable to Micro Enterprises & Small Enterprises. Total outstanding dues to Micro Enterprises & Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.



A Trade payables Ageing as on 31.03.2024						(Rs. in Crores)
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	1.00	-	-	-	-	1.00
Others	1.80	-	-	-	-	1.80
Disputed dues (MSMEs)	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-
<b>Total</b>	<b>2.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.80</b>
Unbilled Dues						18.75
<b>Total</b>						<b>21.55</b>

B Trade payables Ageing as on 31.03.2023						(Rs. in Crores)
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	10.23	-	0.27	-	-	10.50
Disputed dues (MSMEs)	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-
<b>Total</b>	<b>10.23</b>	<b>-</b>	<b>0.27</b>	<b>-</b>	<b>-</b>	<b>10.50</b>
Unbilled Dues						19.46
<b>Total</b>						<b>29.96</b>

18 Other current liabilities

Statutory payments  
Stamp Duty Payable  
Unspent CSR Expenditure  
Amount payable into Core SGF  
Advances from customers

Current	
31.03.2024	31.03.2023
(Rs. in Crores)	
48.46	19.03
146.16	170.29
12.54	1.96
49.81	25.03
7.82	7.55
<b>264.79</b>	<b>223.86</b>

19 Provision employee benefits

Provisions for Leave encashments  
Provision for Gratuity  
Provision for variable pay and other allowances

Non-current		Current	
31.03.2024	31.03.2023	31.03.2024	31.03.2023
(Rs. in Crores)		(Rs. in Crores)	
-	-	2.67	2.00
10.44	7.72	1.27	0.86
5.46	6.75	11.11	6.87
<b>15.90</b>	<b>14.47</b>	<b>15.05</b>	<b>9.73</b>



	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Sale of Services</b>		
Clearing & Settlement Charges	1,251.89	633.97
<b>Other operating revenues</b>		
Connect to NSE Services	1.31	1.47
Interest income	729.23	268.45
Processing Charges	1.73	1.93
Voluntary Auction Charges	15.11	4.42
Fines and penalties-SLB segment	0.02	0.26
Income from Usage Charges	1.41	1.41
Stamp Duty Facilitation Charges	5.54	3.98
MFSS Facilitation Charges	0.51	-
<b>Total</b>	<b>2,006.76</b>	<b>915.89</b>

**Major Customer**

Revenue from one major customer (related party) is Rs.1,117.22 crores (March 2023 : Rs 604.60 crores) which is more than 10% of the total revenue of the Company.

Particulars	(Rs. in Crores)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Revenue Recognised</b>		
Point in time	1,274.82	644.56
Over the time	731.95	271.33
<b>Total</b>	<b>2,006.76</b>	<b>915.89</b>

21

**Other income and other gains/(losses)****Other income**

Interest Income on Bank Deposits	117.43	63.23
Miscellaneous Income	1.45	5.48
<b>Total</b>	<b>118.89</b>	<b>68.69</b>

**Other gains/(losses)**

Net gain on financial assets mandatorily measured at Fair Value through Profit or Loss	45.41	27.79
Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	1.17	2.28
<b>Total</b>	<b>46.58</b>	<b>30.07</b>
<b>Total</b>	<b>165.47</b>	<b>98.77</b>



	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>22 Employee benefits expenses</b>		
Salaries, wages and bonus	56.14	29.06
Salaries, wages and bonus of Deputed Staff (Refer note 24)	0.20	7.79
Contribution to provident and other fund	1.72	0.88
Employees welfare expenses	3.27	1.80
<b>Total</b>	<b>61.32</b>	<b>39.53</b>
<b>23 Other expenses</b>		
Space & Infrastructure Usage Charges	5.77	3.77
Common Usage Expenses	21.27	21.29
Insurance Premium	0.61	0.69
Printing, Stationery & Consumables	1.01	1.30
Auditors' Remuneration (refer note below)	0.57	0.45
Legal and Professional fees	8.28	8.05
Repairs & Maintenance :		
- On Building	0.47	0.26
- On Computer systems	102.06	71.91
IT Management & Consultancy Charges	6.18	1.78
Software Expenses	34.26	30.81
Leased Line Charges	17.05	21.93
Directors' Sitting fees	0.57	0.42
Bank Chages & BG Charges	26.75	18.40
Electricity expenses	3.21	2.22
Logo and Trademark Usage Charges	20.07	-
Share Issue Expenses	2.87	-
Provision for doubtful debts	0.40	0.06
CSR Expense (refer Note 38)	10.65	7.84
Financial Disincentive	-	0.25
Other expenses	17.30	11.61
<b>Total</b>	<b>279.32</b>	<b>203.04</b>
<b>Note :</b>		
<b>Payment to auditor</b>		
<b>As auditor :</b>		
Audit fees	0.23	0.18
Limited review	0.12	0.10
Tax audit fee	0.06	0.06
<b>In other capacity</b>		
Taxation matters	0.09	0.07
Certification matters	0.05	0.03
Out of Pocket	0.01	0.01
<b>Total</b>	<b>0.57</b>	<b>0.45</b>



24 Employee Benefits expenses for the previous year includes the amount reimbursed by the Company to The National Stock Exchange of India Limited (NSEIL) in respect of employees made available to the company upto February 2023. Accordingly, necessary provisions as required for all retirement benefits and other long term employee benefits as per Ind AS 19 - Employee Benefits as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, was carried out by NSEIL in respect of employees made available to the Company upto March 2022.

25 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) Defined Benefit Plan :

**Provident & Pension Fund:** Company has contributed Rs. 1.69 Crores (previous year : Rs.0.87 crores) towards Provident & Pension Fund during the year ended March 31, 2024 to Employee Provident Fund Organisation.

**Gratuity:** The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the employee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.

#### A Balance Sheet

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the period are as follows:

	(Rs. In Crores )	
	31.03.2024	31.03.2023
<b>Liability at the beginning of the year</b>	8.58	6.48
Interest cost	0.64	0.44
Current service Cost	0.89	0.53
Transfers	0.96	2.08
Benefits paid	(0.37)	(1.20)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	0.14	(0.30)
Actuarial (gains)/losses on obligations - due to experience	0.87	0.55
<b>Liability at the end of the year</b>	<b>11.71</b>	<b>8.58</b>

(ii) The net liability disclosed above relates to funded plans are as follows:

	(Rs. in Crores )	
	31.03.2024	31.03.2023
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	(11.71)	(8.58)
<b>Net (liability) / asset</b>	<b>(11.71)</b>	<b>(8.58)</b>

(iii) Balance sheet reconciliation

	(Rs. in Crores )	
	31.03.2024	31.03.2023
Opening net liability	8.58	6.48
Expenses recognized in Statement of Profit or Loss	1.53	0.97
Expenses recognized in OCI	1.01	0.25
Net liability/(asset) transfer in	0.96	2.08
Benefits Paid	(0.37)	(1.20)
<b>Amount recognised in the Balance Sheet</b>	<b>11.71</b>	<b>8.58</b>

#### B Statement of Profit & Loss

(Rs. in Crores )

(i) Net interest cost for current period

	2023-24	2022-23
Interest cost	0.64	0.44
Interest income	-	-
<b>Net interest cost for current period</b>	<b>0.64</b>	<b>0.44</b>

(Rs. in Crores )

(ii) Expenses recognised in the Statement of Profit & Loss

	2023-24	2022-23
Current service cost	0.89	0.53
Net interest cost	0.64	0.44
<b>Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>1.53</b>	<b>0.97</b>

(Rs. in Crores )

(iii) Expenses recognised in the Other Comprehensive Income

	2023-24	2022-23
<b>Re-measurement</b>		
Expected return on plan assets	-	-
Actuarial (gain) or loss	1.01	0.24
<b>Net (income)/expense for the period recognized in OCI</b>	<b>1.01</b>	<b>0.24</b>



C Sensitivity Analysis	(Rs. in Crores)	
	31.03.2024	31.03.2023
Projected Benefit Obligation on Current Assumptions	11.71	8.58
Delta Effect of +1% Change in Rate of Discounting	(0.67)	(0.50)
Delta Effect of -1% Change in Rate of Discounting	0.75	0.56
Delta Effect of +1% Change in Rate of Salary Increase	0.72	0.54
Delta Effect of -1% Change in Rate of Salary Increase	(0.66)	(0.49)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.13)	(0.09)
Delta Effect of +1% Change in Rate of Employee Turnover	0.15	0.10

D Significant actuarial assumptions are as follows:	31.03.2024	31.03.2023
Discount rate	7.19%	7.39%
Rate of return on plan assets	N.A.	N.A.
Salary escalation	10.00%	10.00%
Attrition rate	12.00%	12.00%

E Maturity Analysis of Projected Benefit Obligation: From the Employer	31.03.2024	31.03.2023
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	1.28	0.86
2nd Following Year	1.12	0.85
3rd Following Year	1.10	0.93
4th Following Year	1.10	0.80
5th Following Year	1.10	0.79
Sum of Years 6 To 10	6.26	4.44



**i) Details of Core SGF as on March 31, 2024 are as follows :**

	(Rs. in Crores)							
	CM	FO	CD	Debt	TRI Party	Commodity	Total	
<b>Details of MRC of Core SGF</b>								
NCL own contribution	119.96	846.00	89.09	3.00	8.50	5.00	1,071.55	
Interest Adjusted towards NCL's Contribution	54.04	366.00	32.91	-	-	-	452.95	
Contribution by NSE on behalf of Member	67.70	471.45	39.95	-	-	2.50	581.60	
Interest Adjusted towards member's Contribution	19.30	134.55	21.05	-	-	-	174.90	
Contribution by National Stock exchange of India (NSE)	65.36	428.81	38.91	1.00	8.50	2.50	545.09	
Interest Adjusted towards NSE's Contribution	21.64	177.19	9.09	-	-	-	207.92	
Contribution by BSE Limited (BSE)	7.56	14.64	16.32	-	-	-	38.52	
Contribution by Metropolitan Stock Exchange of India (MSE)	-	-	2.93	-	-	-	2.93	
Interest Adjusted towards MSE's Contribution	-	-	0.01	-	-	-	0.01	
Others (Financials Disincentives)	1.00	-	-	-	-	-	1.00	
<b>Total</b>	<b>356.56</b>	<b>2,438.64</b>	<b>250.27</b>	<b>4.00</b>	<b>17.00</b>	<b>10.00</b>	<b>3,076.47</b>	
Previous Year	356.56	2,336.05	247.50	4.00	17.00	10.00	2,971.12	

**ii) Details of Core SGF as on March 31, 2023 are as follows :**

	CM	FO	CD	Debt	TRI Party	Commodity	Other	Total
<b>Contribution to Corpus of Core SGF</b>								
a) NCL own contribution	174.00	1,168.00	122.00	3.00	8.50	5.00	-	1,480.50
b) Contribution by NSE on behalf of Member	87.00	584.00	61.00	-	-	2.50	-	734.50
c) Contribution by NSE	87.00	584.00	48.00	1.00	8.50	2.50	0.77	731.77
Contribution by BSE	7.56	0.05	15.16	-	-	-	-	22.77
Contribution by MSE	0.00	-	1.34	-	-	-	-	1.34
Others (Financials Disincentives)	1.00	-	-	-	-	-	-	1.00
<b>1 Total (a+b+c+d)</b>	<b>356.56</b>	<b>2,336.05</b>	<b>247.50</b>	<b>4.00</b>	<b>17.00</b>	<b>10.00</b>	<b>0.77</b>	<b>2,971.88</b>
2 Penalty*	267.86	1,186.26	51.44	-	-	0.16	-	1,505.73
3 Income on Investments*	46.32	239.50	23.91	1.02	5.36	2.27	1.23	319.61
<b>Grand Total (1+2+3)</b>	<b>670.74</b>	<b>3,761.81</b>	<b>322.85</b>	<b>5.02</b>	<b>22.36</b>	<b>12.43</b>	<b>2.00</b>	<b>4,797.22</b>

**iii) Contribution made during the year 2023-24**

	(Rs. in Crores)							
	CM	FO	CD	Debt	TRI Party	Commodity	Other # \$	Total
<b>Contribution during the year</b>								
<b>NCL own contribution</b>								
Direct Contribution \$	-	41.00	-	-	-	-	1,400.00	1,441.00
Adjusted from Interest Income **	-	3.00	-	-	-	-	-	3.00
Others (Financials Disincentives)	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>44.00</b>	-	-	-	-	<b>1,400.00</b>	<b>1,444.00</b>
<b>Contribution by NSE on behalf of Member</b>								
Direct Contribution	-	17.00	-	-	-	-	-	17.00
Contribution adjusted from NSE Other Contribution #	-	-	-	-	-	-	-	-
Adjusted from Interest Income **	-	5.00	-	-	-	-	-	5.00
<b>Total</b>	-	<b>22.00</b>	-	-	-	-	-	<b>22.00</b>
<b>Contribution from Exchanges</b>								
<b>Contribution by NSE</b>								
Direct Contribution	-	19.00	-	-	-	-	1,901.25	1,920.25
Adjusted against NSE's Own and member's contribution	-	-	-	-	-	-	-	-
Contribution adjusted from NSE Other Contribution #	-	-	-	-	-	-	-	-
Adjusted from Interest Income **	-	3.00	-	-	-	-	-	3.00
Excess Contribution transfer to Other Clearing Corporation***	-	-	-	-	-	-	(40.28)	(40.28)
<b>Total</b>	-	<b>22.00</b>	-	-	-	-	<b>1,860.97</b>	<b>1,882.97</b>
<b>Contribution by BSE</b>								
Direct Contribution	-	14.59	1.16	-	-	-	-	15.74
Adjusted from Interest Income **	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>14.59</b>	<b>1.16</b>	-	-	-	-	<b>15.74</b>
<b>Contribution by MSEI</b>								
Direct Contribution	-	-	1.52	-	-	-	-	1.52
Adjusted from Interest Income **	-	-	0.06	-	-	-	-	0.06
<b>Total</b>	-	-	<b>1.58</b>	-	-	-	-	<b>1.58</b>

**Income during the year ( Net Off adjustment towards MRC ) \*\***

								Current year	Previous year
Penalty	65.42	219.74	5.20	-	-	0.16	-	290.52	309.84
Income on Investments/Tax Refunds <sup>A</sup>	44.23	260.96	18.51	0.07	1.36	0.86	50.04	376.03	
Less : Income adjusted against MRC**	-	11.00	0.06	-	-	-	-	11.06	571.27
Less : Income adjusted towards transfer of contribution to Other Clearing Corporation***	-	-	-	-	-	-	-	-	7.00
<b>Income on Investments ( Net Off adjustment towards MRC )</b>	<b>44.23</b>	<b>249.96</b>	<b>18.45</b>	<b>0.07</b>	<b>1.36</b>	<b>0.86</b>	<b>50.04</b>	<b>364.97</b>	<b>(322.13)</b>

<sup>A</sup> Includes Interest on Income Tax refund of Rs. 0.13 crores less income tax thereon of Rs. 0.04 crores



V Details of Core SGF a on March 31, 2024 are as follows :

Out of the above the details of the Cash contributions and investment of the same are as follows :

(Rs. in Crores )

Contribution to Corpus of Core SGF		CM	FO	CD	Debt	TRI Party	Commodity	Other #	Total
a	NCL own contribution	174.00	1,212.00	122.00	3.00	8.50	5.00	1,400.00	2,924.50
b	Contribution by NSE on behalf of Member	87.00	606.00	61.00	-	-	2.50	-	756.50
c	Contribution by NSE	87.00	606.00	48.00	1.00	8.50	2.50	1,861.72	2,614.72
d	Contribution by BSE	7.56	14.64	16.32	-	-	-	-	38.52
e	Contribution by MSE	0.00	-	2.93	-	-	-	-	2.93
f	Others (Financials Disincentives) \$	1.00	-	-	-	-	-	-	1.00
1	<b>Total</b>	<b>356.57</b>	<b>2,438.64</b>	<b>250.25</b>	<b>4.00</b>	<b>17.00</b>	<b>10.00</b>	<b>3,261.72</b>	<b>6,338.18</b>
2	Penalty*	333.28	1,406.00	56.64	-	-	0.32	-	1,796.25
3	Income on investments (After allocation towards MRC)*	90.55	489.46	42.36	1.09	6.72	3.13	51.27	684.58
	<b>Grand Total (1+2+3)</b>	<b>780.40</b>	<b>4,334.09</b>	<b>349.25</b>	<b>5.09</b>	<b>23.72</b>	<b>13.45</b>	<b>3,312.99</b>	<b>8,818.99</b>

Details of Investment		CM	FO	CD	Debt	TRI Party	Commodity	Other	Total
1	Mutual Funds	14.76	90.14	2.56	-	-	-	304.91	412.36
1	Fixed Deposit with Banks	75.48	441.67	19.83	-	-	-	655.48	1,192.45
2	Government securities*	559.87	3,013.60	214.00	1.02	21.68	12.12	2,487.49	6,309.78
3	Flexi Fixed Deposits	90.08	742.32	109.09	0.08	1.98	1.03	234.38	1,178.96
4	Balance in Bank Accounts	35.49	4.35	2.14	3.98	-	0.30	-	46.26
5	Accrued interest	4.17	39.03	1.36	-	-	-	14.54	59.10
6	Prepaid taxes	0.55	2.98	0.28	0.01	0.06	-	-	3.89
7	Less: Payable towards unsettled investment in Govt. Sec, Settled on April 2, 2024 (Refer note 4)	-	-	-	-	-	-	(383.81)	(383.81)
	<b>Grand Total (1+2+3+4+5+6)</b>	<b>780.40</b>	<b>4,334.09</b>	<b>349.25</b>	<b>5.09</b>	<b>23.72</b>	<b>13.45</b>	<b>3,312.99</b>	<b>8,818.99</b>
	Previous year	670.74	3,761.81	322.85	5.02	22.36	12.43	2.00	4,797.22

\* Net of applicable corporate tax Rs. 9.38 Crores , if any, on cash basis.

\* Aggregate amount of quoted investments and market value Rs.6,323.18 crores.

# Other contribution is balance amount of transfer from NSE pertain to 25% of NSE's Annual profits as contribution to Core SGF. SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016 advised Stock Exchange to transfer 25% of its annual profits upto August 2015 to Core SGF and utilise the same for contribution required by Members and NSE.

\*\* SEBI vide its letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018 has clarified that "Clearing Corporations may adjust incremental requirement of Minimum Required Corpus (MRC) against the interest accrued on the cash contribution of respective contributors before taking additional contribution from them.

\*\*\* 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, Rs.21.08 crores contribution of other stock exchanges received from respective clearing corporation and also a sum of Rs.130.47 crores of NSE contribution transferred to other clearing corporation.

\$ Debited to retained earnings (refer to Note 12(b))

During the year ended March 2024, an amount of Rs.1,901.25 crores has been received from NSE to further augment the Core SGF out of which an amount of Rs. 40.28 crores has been utilised towards Core SGF requirement of NCL/ICCL. The balance amount of Rs. 1,860.97 crores has been included under 'Other' above.

During the year ended March 31, 2024, the Company has contributed Rs. 41 crores to Core Settlement Guarantee Fund (Core SGF) based on minimum required corpus (MRC). Further, with the objective to augment the Core SGF as desired by SEBI, the Company has also made additional contributed of Rs.1,400 crores to Core SGF. The said contribution to Core SGF aggregating to Rs.1,441 crores has been appropriated from balance in retained earnings.



- 27 The Company had received approval from SEBI to start clearing & settlement activities in Commodity Derivatives and commenced operations w.e.f. October 12, 2018. As required by SEBI an amount of Rs.250 crores had been earmarked towards a separate fund to augment Settlement Guarantee Fund for Commodity Derivatives by way of appropriation from General Reserves and the Company had also earmarked investments amounting to Rs. 250 crores towards the same. During the year ended March 31, 2024, based on approval received from SEBI vide its letter dated January 31, 2024 the same has been de-earmarked and General Reserve has been reinstated by Rs.250 crores.
- 28 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 of the Company. The Company operates only in one Business Segment i.e. facilitating Clearing & Settlement in securities and the activities incidental thereto, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- 29 In compliance with Indian Accounting Standard (Ind AS)-24 - "Related Party Disclosures" notified under section 133 of the Act read with Companies (Accounting Standards) Rules 2015, the required disclosures are given in the table below:

(a) Names of the related parties and related party relationship

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Holding Company
2	NSE IFSC Clearing Corporation Ltd	Subsidiary Company
3	NSE Investments Limited	Fellow Subsidiary
4	NSE Foundation	Fellow Subsidiary
5	NSE IFSC Limited	Fellow Subsidiary
6	NSEIT Limited	Fellow Subsidiary's Subsidiary
7	NSE Data & Analytics Limited	Fellow Subsidiary's Subsidiary
8	NSE Indices Limited	Fellow Subsidiary's Subsidiary
9	NSE Infotech Services Limited	Fellow Subsidiary's Subsidiary
10	NSE.IT (US) Inc.	Fellow Subsidiary's Subsidiary's Subsidiary
11	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited /Aujas Networks Private Limited.)	Fellow Subsidiary's Subsidiary's Subsidiary
12	Talentsprint Private Limited (w.e.f. 10.11.2020)	Fellow Subsidiary's Subsidiary's Subsidiary
13	TalentSprint Inc. (w.e.f. 29-11-2021)	Fellow Subsidiary's Subsidiary's Subsidiary
14	Cogencis Information Services Limited (w.e.f. 21.01.2021)	Fellow Subsidiary's Subsidiary's Subsidiary
15	CXIO Technologies Private Limited (w.e.f July 08, 2021)	Fellow Subsidiary's Subsidiary's Subsidiary
16	NSE Academy Limited	Fellow Subsidiary's Subsidiary's
17	National Securities Depository Limited	Holding Company's Associate
18	BFSI Sector Skill Council of India	Holding Company's Associate
19	India International Bullion Holding IFSC Limited(w.e.f. June 04, 2021)	Holding Company's Associate
20	India International Bullion Exchange IFSC Limited(w.e.f. August 17, 2021)	Holding Company's Associate's Subsidiary Company
21	Power Exchange India Limited	Associate of Fellow Subsidiary
22	Protean eGov Technologies Ltd.(Formerly known as NSDL e-Governance Infrastructure Limited)	Associate of Fellow Subsidiary
23	Market Simplified India Limited (formerly known as INXS Technologies Limited)	Associate of Fellow Subsidiary
24	Receivables Exchange Of India Limited	Associate of Fellow Subsidiary
25	Indian Gas Exchange Limited (w.e.f. 16.03.2021)	Associate of Fellow Subsidiary
26	Capital Quant Solutions Private Limited (w.e.f. 03.03.2021)	Associate of Fellow Subsidiary's Subsidiary's Subsidiary
27	NSDL Database Management Limited	Holding Company's Associate's Subsidiary
28	NSE Administration & Supervision Limited (w.e.f January 9, 2024)	Fellow Subsidiary
29	NSE Sustainability Ratings & Analytics Limited (w.e.f March 30, 2024)	Fellow Subsidiary's Subsidiary
30	Ms. Bhagyam Ramani-Director (upto 31.05.2023)	Key Managerial Personnel
31	Mr. Salim Gangadharan-Director (upto 16.06.2022)	Key Managerial Personnel
32	Mr. N.K Maini-Director (upto 16.06.2022)	Key Managerial Personnel
33	Mr. C.V.R Rajendran- Director (upto 16.06.2022)	Key Managerial Personnel
34	Ms. Harun R Khan-Director (upto 07.09.2022)	Key Managerial Personnel
35	Mr. K. S. Somasundaram (upto 09.08.2021)	Key Managerial Personnel
36	Mr. Yatrik Vin (w.e.f. 07.09.2022)	Key Managerial Personnel
37	Mr. Vikram Kothari- Managing Director	Key Managerial Personnel
38	Mr. Jayant Ramaswamy Haritsa (w.e.f. 17.06.2022)	Key Managerial Personnel
39	Mr. Ananth Narayan Gopalkrishnan (upto 27.09.2022)	Key Managerial Personnel
40	Mr. Gopalkrishna Hedge (w.e.f 17.06.2022)	Key Managerial Personnel
41	Mr. Golaka Nath (w.e.f 17.11.2022)	Key Managerial Personnel
42	Mrs. Priti Savla (w.e.f 05.04.2023)	Key Managerial Personnel
43	Mr. Abhaya Hota (w.e.f 06.04.2023)	Key Managerial Personnel



(b) Details of transaction (including GST wherever levied) with parties are as follows :

Name of the Related Party	Nature of Transactions	(Rs. in Crores )	
		Year ended 31.03.2024	Year ended 31.03.2023
National Stock Exchange of India Ltd.	• Clearing and Settlement charges received	1,315.80	710.92
	• Usage charges Received	1.66	1.66
	• EBP Platform Usage charges Received	0.85	0.84
	• Usage charges paid	25.18	25.13
	• Contribution received towards Core SGF	1,937.25	4.00
	• Reimbursement paid for expenses on staff on deputation	2.29	10.61
	• Reimbursement paid for other expenses incurred	81.34	70.51
	• Reimbursement received for services Rendered/Asset transferred	2.52	0.09
	• Space & Infrastructure usage Charges paid	6.81	4.45
	• Dividend paid	22.50	180.00
	• Royalty for Usage of Brand/Logo	23.68	-
	• Share Capital	1,400.00	-
	• Outstanding balance – (Credit) / Debit	69.74	44.17
NSE IFSC Clearing Corporation Ltd	• Reimbursement paid for other expenses incurred	0.10	0.84
	• Outstanding balance – (Credit) / Debit	(0.19)	0.14
	• Investment in Equity Share Capital (During the year)	160.00	-
	• Investment in Equity Share Capital (Closing Balance)	250.00	90.00
NSE IFSC Limited	• Sale of Fixed Asset	-	-
	• Outstanding balance – (Credit) / Debit	-	0.15
NSEIT Ltd.	• Repairs & Maintenance – Clearing & Computer systems	33.38	26.60
	• Purchase & Installation of Equipments	-	-
	• Outstanding balance – (Credit) / Debit	(7.71)	(1.07)
NSE Indices Limited	• Reimbursement of 50% of the one-time cost and annual subscription fees.	0.21	-
	• Outstanding balance – (Credit) / Debit	-	-
Aujas Cybersecurity Limited	• Repairs & Maintenance – Clearing & Computer systems	0.15	0.52
	• Outstanding balance – (Credit) / Debit	-	-
NSE Foundation	• Contribution towards CSR	0.07	5.88
	• Outstanding balance – (Credit) / Debit	-	-
National Securities Depository Limited	• Depository operation fees	0.16	0.19
	• Outstanding balance – (Credit) / Debit	0.00	-
Key Management Personnel	Short term employee Benefits*	2.59	2.29
	Post - employment Benefits**	0.08	0.07
	Long term employee Benefits*	0.37	0.31
Directors	Sitting fees/Committee sitting fees :		
	Ms. Priti Savla	0.33	-
	Mr. Abhaya Hota	0.43	-
	Mr.N K Maini	-	0.10
	Mr. C VR Rajendran	-	0.09
	Mr. Gopalkrishna Hegde	0.37	0.21
	Mr. Jayant Ramaswamy Haritsa	0.41	0.25
	Mr. Ananth Narayan Gopalkrishnan	-	0.04
	Mr. Golaka Nath	0.44	0.08
	Mr. Harun R. Khan	-	0.15
	Mr. Salim Ganagadharan	-	0.08
	Ms.Bhagyam Ramani	0.09	0.36

\* Includes amount paid towards Leave encashment, Medical allowance & Leave Travel allowance and 50% of the variable pay payable after 3 years subject to certain conditions.

\*\* As the liabilities for define benefits plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial person are not included.

No commitments made during the years to associate concerns and vice versa

30 In accordance with Indian Accounting Standard (Ind AS) 33 - "Earning per Share" issued by the Institute of Chartered Accountants of India, the required disclosure is given below.

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.

	Year ended 31.03.2024	Year ended 31.03.2023
Net Profit attributable to Shareholders (Rs. In Crores)	1,314.29	545.26
Weighted Average number of equity shares outstanding	96,72,81,072	96,06,64,466
Earnings per share of Rs. 10/- each (in Rs.) (Basic) *	13.59	5.68
Earnings per share of Rs. 10/- each (in Rs.) (Diluted) *	13.59	5.68

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

There are no instruments (including contingently issuable shares) issued that could potentially dilute basic earnings per share in the future.

\* Basic and Diluted earnings per share presented above have been adjusted retrospectively for the bonus element in respect of Rights issue made during the year ended March 31, 2024 in accordance with Ind AS 33, "Earnings per Share" (Refer note 12 (a))

\* For the purpose of calculation of bonus element in respect of rights issue the Book Value has been considered as Fair Value.

31 **Capital and other commitments :**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs.4.70 crores (Previous Year :Rs.0.05 crores) and other Commitments Rs 3.35 crores (Previous Year :Rs.29.47 crores)

32 **Contingent liabilities and Commitments :**

(i) Claims against company not acknowledged as debts (excluding interest) : Rs. 6.34 Crores (Previous Year : Rs. 6.34 Crores)

(ii) A suit filed against the Company for damages / compensation amounting to Rs.NIL (Previous Year : Rs. Nil)

(iii) On account of disputed demand of Income tax of Rs.397.46 Crores (Previous Year : Rs.197.40 crores).The said amount includes Rs. 173.36 crores and Rs 76.89 crores demand raised for AY 2022-23 and AY 2020-21 respectively, the assessment order has been passed u/s 143(3) of the Income Tax Act, 1961, wherein credit for Advance Tax /TDS /TCS of Rs.146.23 crores and Rs 91.47 crores respectively was not considered in the computation resulting to levy of interest u/s 234B Rs.30.39 Crores and Rs 19.51 crores respectively.

And on account of demand of Dividend Distribution Tax (DDT) for AY 2020-21 including interest thereon amounting to Rs. 22.98 crores (previous year: Rs. 22.98 crores). Further, credit of dividend distribution tax of Rs. 16.65 crores was not considered in the computation resulting levy of interest of Rs. 6.33 Crore.

The Company has filed an appeal to Commissioner of Income Tax (Appeals), National Faceless Appeal Center, New Delhi.

(iv) On account of disputed demand of Service tax Rs.74.20 Crores plus interest as applicable the Company has filed appeal before CESTAT. (Previous Year :Rs.74.20 crores plus interest and penalty, as applicable)

(v) Bank Guarantee Rs.8000 Crores (Previous year Rs.4000 Crores). (Also refer to Note 40)

Based on the legal opinion received by the company, Company is of the view that the above matters are not likely to have any material impact on financial position of the Company.

33 The Company's pending litigations comprise of claims against the Company and proceedings pending with Statutory, Regulatory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer note 32 & 35)

34 In accordance with the relevant provisions of the Companies Act, 2013, the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as of March 31, 2024 and March 31, 2023.

35 a) On February 24, 2021 the Storage Area Network (SAN) system of the Company was impacted due to certain issues in the links with telecom service providers, resulting in the primary SAN becoming inaccessible to the host servers. This also resulted in the risk management system and clearing and settlement system of the Company and other systems such as index and surveillance systems of National Stock Exchange of India (NSE) becoming unavailable leading to a decision to halt the Trading at NSE. The Company had submitted a root cause analysis of the incident to SEBI. SEBI vide its letter dated July 2, 2021 directed the Company to pay financial disincentive of Rs. 0.25 crores for not restoring its operations within the Recovery Time Objective (RTO). The Company paid the same on July 14, 2021. Further, in this regard, SEBI had issued a show cause notice on August 11, 2021 to the Company and an employee alleging non-compliance with certain paragraphs of SEBI circular dated October 8, 2015, September 13, 2017, March 26, 2019 and Regulation 12(6) read with Regulation 7(4)(g) of SECC Regulation 2018 for which detail response is filed. In this regard, the Company has taken necessary remedial actions and also filed consent application with SEBI on September 03, 2021, against this, preliminary hearing on maintainability of the said consent application had taken place and the Company had also filed revised settlement terms on March 19, 2023. SEBI accepted the revised terms for settlement of the same on payment of Rs.22.88 crores. The company paid the settlement amount of Rs.22.88 crores in June 2023 and SEBI disposed of the proceedings of the show cause vide settlement order dated June 20, 2023. The same is disclosed as exceptional item in the financial statements for the year ended March 31, 2024.

b) During the year ended March 31, 2022, SEBI had issued a show cause notice to the Company alleging non-compliance with certain paragraphs of SEBI circular dated December 17, 2018 for failure to share alerts with other exchange post interoperability. During the year ended March 31, 2023, SEBI levied penalty of Rs.0.25 crores to the Company, the same is included in other expenses for the previous year ended March 31, 2023. The same has been paid on February 9, 2023.

c) During the year ended March 31, 2024, SEBI issued a show cause notice to the Company alleging non-compliance with certain regulations of SECC 2018 and certain paragraphs of SEBI circular dated November 27, 2018 regarding Inter-CCP collateral under interoperability among clearing corporation framework. In this regard, the Company has taken necessary remedial actions, filed detailed response and consent application with SEBI. On March 19, 2024, revised settlement terms were also filed with SEBI. The Company is of the view that pending conclusion of this matter with SEBI, a reliable estimate of any obligations in respect of this matter cannot be presently made and therefore no provision / adjustment to this effect has been made in the financial statements as of and for the year ended March 31, 2024.



## (i) Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows underneath the table.

(Rs. In crores)					
Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At March 31, 2024	Notes	Level 1	Level 2	Level 3	Total March 31, 2024
<b>Financial Assets</b>					
<b>Financial Investments at FVPL</b>					
Mutual Fund - Growth Plan	8	696.08	-	-	696.08
<b>Total Financial Assets</b>		<b>696.08</b>	<b>-</b>	<b>-</b>	<b>696.08</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At March 31, 2023	Notes	Level 1	Level 2	Level 3	Total March 31, 2023
<b>Financial Assets</b>					
<b>Investments</b>					
Fixed Deposit	8	545.07	-	-	545.07
<b>Total Financial Assets</b>		<b>545.07</b>	<b>-</b>	<b>-</b>	<b>545.07</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

- Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, debentures, government securities and commercial papers) is determined using FIMMDA valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

## ii) Valuation technique used to determine fair value :

Specific valuation techniques used to value financial instruments include:

- 1) The use of quoted market prices or dealer quotes for similar instruments in case of quoted equity shares, exchange traded funds and mutual funds.
- 2) The fair value of the unlisted equity instruments is determined using the price / book multiple (P/B) multiple approach.
- 3) All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, where the fair values have been determined as per 2 above.

## (iii) Fair value measurements using significant unobservable inputs (level 3)

No item falling in level 3 during the restated period .

## (iv) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

## B Financial Instruments by category

	(Rs. In crores)			
	31-Mar-24		31-Mar-23	
	FVPL	Amortised Cost	FVPL	Amortised Cost
<b>Financial Assets</b>				
<b>Investments</b>				
Fixed Deposits	-	2,427.95	-	1,256.97
Mutual Funds	696.08	-	545.07	-
Trade receivables	-	211.35	-	62.73
Cash and Cash equivalents	-	22,298.54	-	5,158.62
Other financial assets	-	408.21	-	79.37
<b>Total financial assets</b>	<b>696.08</b>	<b>25,346.05</b>	<b>545.07</b>	<b>6,557.69</b>
<b>Core SGF Assets</b>				
Fixed Deposits	-	1,192.45	-	528.98
Government securities & Treasury Bills	-	6,309.79	-	4,012.57
Mutual Fund	412.36	-	-	-
Other financial assets	-	59.11	-	27.50
Cash and Cash equivalents	-	1,225.21	-	222.47
<b>Total financial assets</b>	<b>412.36</b>	<b>8,786.55</b>	<b>-</b>	<b>4,791.53</b>
<b>Financial Liabilities</b>				
Deposits	-	1,995.25	-	1,776.14
Trade payable	-	21.54	-	29.96
Other financial liabilities	-	21,383.42	-	4,095.31
<b>Total financial Liabilities</b>	<b>-</b>	<b>23,400.22</b>	<b>-</b>	<b>5,901.41</b>



The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Assessment & Review Committee (RARC), which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The RARC is supported by Treasury department among others, that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

#### A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance throughout the year ended 31st March, 2024 and 31st March, 2023. This was the result of cash generated from operating activities and investing activities to provide the funds to service the financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investments including the government securities with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

	Carrying amount	Payable on demand	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
<b>As at March 31, 2024</b>							
Trade payables	21.54	-	21.54	-	-	-	21.54
Deposits	1,995.25	1,995.25	-	-	-	-	1,995.25
Creditor for Capital Expenditure	0.54	-	0.54	-	-	-	0.54
Margins From Members	17,716.05	17,716.05	-	-	-	-	17,716.05
Settlement Obligations payable	3,609.23	3,609.23	-	-	-	-	3,609.23
Other liabilities	57.60	-	57.60	-	-	-	57.60
<b>As at March 31, 2023</b>							
Trade payables	29.96	-	29.96	-	-	-	29.96
Deposits	1,776.14	1,776.14	-	-	-	-	1,776.14
Creditor for Capital Expenditure	2.32	-	2.32	-	-	-	2.32
Margins From Members	3,867.33	3,867.33	-	-	-	-	3,867.33
Settlement Obligations payable	182.71	182.71	-	-	-	-	182.71
Other liabilities	42.95	-	42.95	-	-	-	42.95

#### B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
<b>1. PRICE RISK</b>		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments.	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds, the Company has calculated the impact as follows.
At 31st March, 2024, the exposure to price risk due to investment in mutual funds amounted to Rs. 1,108.44 crores (March 31, 2023: Rs. 693.65 crores).	The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 2.77 crores gain in the Statement of Profit and Loss (FY 2022-23: Rs. 1.73 crores gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

#### C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

##### Trade and other receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collateral which can be utilised in case of member default. Further, amount lying in Core settlement Guarantee fund (CSGF) is available for utilisation in case of settlement default by member. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Revenue from top customer is account for 89% (Previous Year 91%)

##### Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets as disclosed in note no. 4,5,6,8,10 and 11.



- 38 a) As per Section 135 of the Act, every Company having net worth of Rs. 500 crores or more or a Turnover of Rs. 1000 crores or more or a Net Profit of Rs. 5 crores or more during any financial year is required to spend at least 2% of its Average Net Profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. The details of spending is as given below:

Particulars	(Rs. In crores)	
	Current Year	Previous Year
i Amount required to be spent by the company during the year	10.65	7.84
ii Amount of expenditure incurred	-	5.88
iii Amount unspent* (Including interest)	10.65	1.96
iv Shortfall at the end of the year	-	-
v Total of previous years shortfall	-	-
vi Reason for shortfall	NA	NA
vii Provision for Contractual obligation	-	-

\* The unspent amount of Rs. 1.96 Crores is towards ongoing project and same has been transferred to special account on 31st March 2023 in compliance with section 135(6) of the Companies Act 2013. During the year 2023-24 an amount of Rs. 0.07 crores has been spent out of same and balance amount of Rs. 1.89 crores.

\* The unspent amount of Rs. 10.65 Crores is towards ongoing project and same has been transferred to special account on 27th March 2024 in compliance with section 135(6) of the Companies Act 2013, a fixed deposit have been placed out of the same and interest on the same will be utilised towards CSR project.

viii **Nature of CSR activities :**

NSE Foundation, a Section 8 Company and a subsidiary of National Stock Exchange of India Limited was incorporated in March 2018, as a common CSR function to undertake the CSR activities on behalf of the NSE Group Companies in line with the Group CSR Policy to create consolidated impact and avoid replication/ duplication of activities among the Group Companies. NSE Foundation currently undertakes CSR projects in the focus areas of Primary Education, Safe Drinking Water and Sanitation, Elder Care, Environment Sustainability, Skill Development, Health & Nutrition, Funding to Incubators and Disaster Relief & Rehabilitation.

ix **Details of related party transactions :**

	Current Year	Previous Year
Contribution To NSE Foundation	0.07	5.88

NSE Group incorporated NSE Foundation to undertake CSR activities for the Group. Accordingly, the Company has contributed to NSE Foundation to be spent on CSR activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.

- b) Amount spent / contribution to NSE Foundation towards CSR during the year on:

Particulars		(Rs. In crores)		
		In Cash	Yet to be paid in Cash*	Total
i Construction / acquisition of any asset	Current Year	-	-	-
	Previous Year	-	-	-
ii On purposes other than (i) above (through Contribution to NSE Foundation)	Current Year	-	10.65	10.65
	Previous Year	5.88	1.96	7.84

\* The unspent amount of Rs. 1.96 Crores is towards ongoing project and same has been transferred to special account on 31st March 2023 in compliance with section 135(6) of the Companies Act 2013. During the year 2023-24 an amount of Rs. 0.07 crores has been spent out of same and balance amount of Rs. 1.89 crores.

\* The unspent amount of Rs. 10.65 Crores is towards ongoing project and same has been transferred to special account on 27th March 2024 in compliance with section 135(6) of the Companies Act 2013, a fixed deposit have been placed out of the same and interest on the same will be utilised towards CSR project.



Sr. No.	Ratio	31.03.2024	31.03.2023	% Variance	Reason for variance >25%	Numerator	Denominator
1	Current Ratio	1.03	1.07	(3.10)		Current Assets	Current Liabilities
2	Debt -Equity Ratio	NA	NA			Total Debt (Borrowing )	Shareholder's Equity
3	Debt Service Coverage Ratio	NA	NA			Earnings available for debt service	Debt Service
4	Return on Equity (ROE)	59%	45%	31.81	Increase in Operating income	Net Profits after taxes less Pref.Dividend (if any)	Average Shareholder's Equity
5	Inventory Turnover ratio	NA	NA			Cost of goods sold OR sales	Average Inventory
6	Trade Receivables turnover ratio	9.32	11.83	(21.20)	Increase in Operating income	Net Credit Sales	Avg. Accounts Receivable
7	Trade payables turnover ratio	10.85	7.99	35.76		Net Credit Purchases	Average Trade Payables
8	Net capital turnover ratio	1.57	1.55	1.29		Net Sales	Working Capital
9	Net Profit Ratio	61%	54%	12.59		Net Profit	Total Income
10	Return on capital employed	57%	57%	(1.10)		Earning before interest and taxes	Capital Employed =Tangible Net Worth + Total Debt + Deferred Tax Liability
11	Return on investment	7.79%	5.81%	34.04	Increase in Interest Rate	Income on Investment	Average Investment



- 40 Total bank guarantee provided by NCL in favour of ICCL towards Inter CCP collateral under interoperability framework as prescribed by SEBI as on March 31, 2024 Rs.8,000 crores and March 31, 2023 Rs.4,000 crores.
- 41 For the year ended March 31, 2024 and March 31, 2023, the Company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.
- 42 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent in September 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 Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 43 During the year ended March 31, 2024, the provisions of SEBI circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/84 dated June 8, 2023 pertaining to upstreaming of client funds to Clearing Corporations came into effect, resulting in increase in Margin money from members with the company and increase in other operating revenue.
- 44 **Additional Regulatory Information required by Schedule III :**
- (i) **Wilful Defaulter**  
The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- (ii) **Relationship with struck off Companies**  
The Company has no transactions with the companies struck off under the Companies Act, 2013.
- (iii) **Compliance with approved scheme(s) of arrangements**  
The Company has not entered into any scheme of arrangement which has an accounting impact on current of previous financial year.
- (iv) **Utilisation of Borrowed funds and Share premium**  
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) **Undisclosed Income**  
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (vi) **Details of cypto currency of virtual currency**  
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vii) **Valuation of PP&E, intangible asset and investment property**  
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- (viii) **Registration of charges or satisfaction with Registrar of Companies**  
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (ix) **Details of Benami Property held**  
No proceedings have been initiated on or are pending against the company for holding benami under the Benami Trancation (Prohibition) Act, 1988 (45 of 1988) and Rule made thereunder.
- (x) **Title deeds of immovable properties not held in name of the company**  
There are no immovable properties held in name of the company.
- (xi) **Borrowing secured against current assets**  
The Company doesn't have any borrowings from banks and / or financial institutions.
- (xii) **Compliance with number of layer of Companies**  
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xiii) **Core Investment Company (CIC)**  
The Group has one subsidiary company namely NSE Investments Ltd which is a deemed CIC and is not required to be registered with RBI as per the directions laid down in Core Investment Companies (Reserve Bank) Directions, 2016. There are no other CIC in the group.
- (xiv) **Loans or advances to specified persons**  
The Company has not granted any loans or advances to promoters, directors, KMPs and related parties either severally or jointly with any other person, that are:  
(a) repayable on demand or  
(b) without specifying any terms or period for repayment

45 Previous year figures have been regrouped / reclassified wherever necessary

For Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No : 105049W

NARENDRA JAIN  
Partner  
Membership No.: 048725

Place : Mumbai  
Date : April 30, 2024



For and on behalf of the Board of Directors

*Abhaya Hota*  
ABHAYA HOTA  
Chairperson  
[DIN : 02593219]

*Priti Savla*  
PRITI SAVLA  
Director  
[DIN : 00662996]

*Vikram Kothari*  
VIKRAM KOTHARI  
Managing Director & CEO  
[DIN : 07898773]

*Amit Amlani*  
AMIT AMLANI  
Chief Financial Officer

*Ravin Tank*  
RAVIN TANK  
Company Secretary

