

CDSL/CS/NSE/JB/2026/20

February 06, 2026

**The Manager,
Listing Compliance Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051**

Symbol: CDSL

ISIN: INE736A01011

Sub: Analyst/Investor Call/Conference Call held on February 02, 2026.

**Re: Disclosure under Regulation 30 of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

This is with reference to our intimation dated January 27, 2026, for scheduling of Conference Call on Monday, February 02, 2026. In this regard, please find attached the transcript of the aforesaid Conference Call.

The above information is also available on the website of the Company
www.cdsindia.com

This is for your information and record.

Thanking you.

Yours faithfully

For Central Depository Services (India) Limited

**Nilay Shah
Company Secretary & Compliance Officer
ACS No.: A20586**

Encl: As above



“Central Depository Services Limited Q3 FY '26 Earnings Conference Call”

February 02, 2026



MANAGEMENT: **MR. NEHAL VORA – MANAGING DIRECTOR AND CEO**
MR. GIRISH AMESARA – CHIEF FINANCIAL OFFICER
MR. SUNIL ALVARES – MANAGING DIRECTOR & CEO – CDSL VENTURES LIMITED
MR. LATESH SHETTY, MANAGING DIRECTOR & CEO – CENTRICO INSURANCE REPOSITORY LIMITED
MR. KAMLENDRA SRIVASTAVA – MANAGING DIRECTOR & CEO – COUNTRYWIDE COMMODITY REPOSITORY LIMITED
MR. SWAROOP GOTHI, FINANCIAL CONTROLLER

MODERATOR: MR. AMIT CHANDRA – HDFC SECURITIES

Moderator: Ladies and gentlemen, good day, and welcome to CDSL Q3 and FY '26 Earnings Conference Call hosted by HDFC Securities. As a reminder, all participant line will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

Ladies and gentlemen, please note that CDSL does not provide specific revenue or earnings guidance. Anything said on this call, which reflects CDSL's outlook for the future or which could be constituted as forward-looking statements must be reviewed in conjunction with the risks that the company faces.

I would like to hand the conference over to Mr. Amit Chandra from HDFC Securities. Thank you, and over to you, sir.

Amit Chandra: Yes. Thank you, operator. Good evening, everyone. On behalf of HDFC Securities, we welcome you all to the CDSL Quarter 3 FY '26 Earnings Call. Today, we have with us the management team of CDSL, represented by Mr. Nehal Vora, MD and CEO; Mr. Girish Amesara, CFO; and other senior leaders from the management team.

We will now start with a brief overview of the quarter by Mr. Nehal Vora, and then we will open up the floor for the question-and-answer session. Thank you, and over to you, Nehal sir.

Nehal Vora: Good afternoon, everyone. I hope you and your loved ones are safe. Welcome to the Q3FY26 earnings concall. I'm joined here today by the CDSL Group's team of senior leaders. Let us start with the industry highlights and then we can go through some of the key aspects of our performance. The combined average daily turnover at BSE and NSE for December 2025 was around INR 1 lakh crores, about 8.3% less than the average daily turnover during the same period of the previous year.

I'm glad to report that as a depository industry, we have crossed 21.6 crores Demat accounts and CDSL saw more than 75+- lakh accounts opened during this quarter, bringing our total to 17.27 crores Demat accounts, maintaining our 80% share.

During the quarter, CDSL received certain key recognitions, including two of the major global awards, including the Central Securities Depository of the Year 2025 by Asset Servicing Times and Market Infrastructure Award at the Regulation Asia Awards for Excellence 2025. Whilst our CSR efforts were also recognized with the Project of the Year Healthcare Award at the India CSR Awards 2025.

For us, the investors remain at the heart of our ecosystem, and we strive to stay closely connected with them through our various social media platforms. I'm pleased to share that these efforts have paid off as we recently crossed a milestone of 100 million YouTube channel views on the CDSL account. This achievement reinforces our commitment to reaching and educating as many persons as possible.

In the last quarter, CDSL also launched its first ever Reimagine Ideathon, an initiative under its Annual Reimagine Symposium, engaging young innovative minds to reimagine investor

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empowerment to ensure that the market can really trust it at scale. The Ideathon saw around 1,000 + registrations with us and witnessed participation of students from nearly 100 institutions across 21 states and two union territories. The final rewards will be announced on this coming weekend.

As we move on to a new quarter for the new year of 2026, our focus remains on building the infrastructure that is not only scalable and secure but is also inclusive and investor first. We endeavour to continuously monitor and upgrade the capacity, security and sophistication. We continue to prioritize our Atmanirbhar investor focused approach while striving for innovation into consistent and sustainable financial and business performance. We'll continue to work efficiently while upholding our investor-centric culture.

I would like to reaffirm that CDSL's focus remains on enhancing the securities market ecosystem by enhancing trust. The market with its ebbs and flows continues to support the Indian economy, and we owe all the progress to a strong ecosystem that has put constant faith in us. My appreciation and gratitude to all our stakeholders, starting from the SEBI as regulator, other regulators, depository participants, issuers, investors and all participants, shareholders and employees.

Thank you, and over to the CFO, Girish.

Girish Amesara:

Thank you, Nehal. Good morning and good afternoon to everyone. On a consolidated basis, for the 9 months performance, the total income is achieved at INR970 crores as against INR944 crores for the corresponding 9 months for the previous year. Consolidated net profit for the 9 months is achieved at INR375 crores as against INR426 crores for the corresponding 9 months.

In terms of quarterly performance on a consolidated basis, the total revenue of the quarter ended December is achieved at INR334 crores as against INR298 crores for the corresponding quarter of the previous year. The stand-alone net profit is achieved at INR133 crores as against INR130 crores for the corresponding quarter of the previous year.

Talking on stand-alone performance for 9 months, the total income is achieved at INR881 crores as against INR780 crores for the corresponding 9 months. The net profit for the 9 months is achieved at INR399 crores as against INR381 crores for the corresponding 9 months of the previous year.

On a quarterly basis, the stand-alone total revenue is at INR279 crores as against INR235 crores for quarter of the previous year. The net profit for the quarter ended December is achieved at INR120 crores as against INR105 crores for the corresponding quarter of the previous year.

With this, I will request Sunil to take us through CVS numbers. Thank you, and over to you.

Sunil Alvares:

Good evening and thank you for joining us today. For the 9-month period ended December '25 So for the 9-month period December '25, revenue from operations was INR132 crores compared to INR189 crores in the 9MFY'25. Total income was INR145 crores compared to INR206 crores in the previous year. Total expenses were INR90 crores compared to INR83 crores in the

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previous year. Profit before tax was INR55 crores as against INR122 crores in the previous year. Profit after tax was INR42 crores as compared to INR91 crores 9FY25.

Moderator: I'm really sorry, but there is a background issue from the management line. If you can please fix that. Our first question comes from the line of Supratim Datta from Jeffries. Please go ahead.

Supratim Datta: Okay. So, my first question is on the cost side. So, your technology costs have increased by around 4x since FY '23, whereas during the same period, volume increase has been somewhere around 1.82x. So, I just wanted to understand, if you could give us some color or understanding with respect to how you are seeing the technology spend or which areas are you spending this money and what further capacity requirements do you need to put in place?

Because in a market where volumes have not been growing since the last one year, still the computer technology cost appears to be growing sequentially. So, I just wanted to understand, get some clarity on what is happening here, which are areas that you are spending on and how So that's one.

The second part is on the KRA business, you're the market leaders there. The pricing there is significantly higher than the CKYC business there. And now that the government is improving the quality of data on CKYC, do you see that as a risk for pricing or the KYC registration business overall? If you could give us some color there that also will be very helpful?

Nehal Vora: So, on the first question on technology, see, as we grow in business, it's like -- as I've said many times, it's like similar to basically an infrastructure company. So, as we increase capacity, the costs have to grow to ensure that the latest technology is used. There are newer products also which have been coming into play, which the regulator keeps on kind of doing some time-to-time. There seems to be some cross connection. Can you put yourself on mute?

So, as we have grown from '23 to '25, the newer forms of technology, both on application, on hardware, network and security. All 4 areas, we are trying to ensure that the latest products are put into play. And that says the capacity building process so that as the surge in case if it happens like we have seen in 2020, '21, it becomes seamless for the market. It does not face any issues from the standpoint of people wanting to open newer accounts.

Also, the latest survey of SEBI is also saying that there are a lot of people whilst have participated in the securities market, a lot of people have known and are willing to participate. There's a potential, which is there. So, in sync with that potential, we have to be prepared to prepare the necessary technology infrastructure to be in place so that in case if those volumes come into the market, it becomes seamless from that standpoint. And on your second question, I'll ask Sunil to answer.

Sunil Alvares: On the KRA business, you mentioned that CKYC is introducing 2.0 and there could be a risk to CVL. But if you see in case of the securities market where KRAs are operating, KRAs have totally validated data as against that of CKYC.

Moreover, the KRAs data has a larger number of fields as compared to the CKYC. Recently, there is also a consultation paper from SEBI where they have proposed other details like bank

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details, occupation, etc., which comes as a part of client due diligence; and is proposed to be held in the KRA.

Also, there is a circular from the Ministry of Finance, Department of Revenue, where they've asked the KRAs to get connected with the CKYC so that any intermediary wanting to upload data into the CKYC can do it through the KRAs or the intermediary can do it directly. Keeping this development in mind, I feel that the KRAs are here to stay.

Supratim Datta: That's very helpful. Thanks a lot for providing the clarity. Just wanted to understand from that capacity build, I do understand that with every year, you need to build further capacity. But is the ramp-up or the scale of ramp-up mostly done? Or should scale of ramp-up continue at this level, again, considering the fact that how markets have been in the last 1 year?

Nehal Vora: So, the point is that as newer technology comes into play, there is, as we all know, really artificial intelligence also is coming into play. We would like to ensure that our infrastructure has the latest in sync technology. Also, in other products like application, security, etc., there are newer products which keep on coming.

So, it depends on the kind of innovations which are happening, which will entail in future, whether this will continue. But the process of ensuring that a seamless experience is there for all the participants is our intent and all basically will be able to see their holdings, etc., in a very seamless manner is what is basically the intent.

Moderator: Our next question comes from the line of Amit Chandra from HDFC Securities.

Amit Chandra: So my question is on the annual issuer charges. Obviously, on a Y-o-Y basis, we are seeing very strong growth here. And it has been a function of the higher additions and the rising folios. So, if you can give the number of folios because you used to give. So, what has been the exact number of folios, if you can give that number?

And also it has also been helped by the unlisted companies addition but seeing the change in regulation that has happened 1st of December, where the definition of not so small companies have been changed?

So, in that context, how do you see the unlisted addition on behaving because that basically shortens the definition or in terms of scope? So like we are adding around 2,000 companies in the quarter. Can we see a significant dip there in terms of the unlisted additions? This is my first question?

Nehal Vora: Yes. So, I think, Amit, on the unlisted piece, again, it's not growth or definition has become wider. But again, those conditions remain only when they want to raise capital, or they want to transfer capital. So those are very circumstance driven as to when they are mandated to be registered with us.

So, I think overall, we'll have to wait and watch. We don't give a futuristic outlook as to how we are going to see these numbers. But the intent is that we ensure that our systems are in place and

experience of the issuers is seamless so that more and more people as and when they would want to join the depository fold becomes easy for them to. And for folio, I'll ask the CFO to answer.

Girish Amesara: The folio remains what we had disclosed in first quarter, it is 33.76 crores.

Amit Chandra: Okay. So, the folio number is set, obviously, will happen 31st of March. But with the number of IPOs coming in because this has been a heavy IPO. So, it is expected that maybe this folio number reset can be a higher number versus what we have seen last year because

Girish Amesara: That we have to wait and watch in the first quarter of the next year.

Amit Chandra: Okay. Okay. And sir, second question, if you can give the breakup of e-voting and eCAS and also the drop that we have seen because seasonally, e-voting is a weak quarter, and we have seen a drop there sequentially. If you can like give that number. And also, in Y-o-Y terms also, the fall has been pretty sharp.

So, is it that on a Y-o-Y basis also the adoption of e-voting has declined, or we are seeing loss of market share there? If you can give some color there? And obviously, correspondingly to the decline in the e-voting, there used to be a decline in the other expenses as well. But in this quarter, we have not seen that decline. So, can you explain what has led to the higher other expenses?

Girish Amesara: Sure. So, the CAS income that we have generated in this quarter is INR12.78 crores and e-voting income is at INR5.23 crores. Normally, all e-voting income gets accrued in second quarter of the financial year. So, in last quarter, September quarter, we had accrued income of INR19.77 crores that we had reported.

And when you compare current quarter's income with Y-o-Y income of previous year, same quarter, we had achieved income of INR4.71 crores. So current quarter is better off compared to same quarter of the previous year.

Amit Chandra: Okay. And in terms of expenses, the expenses the corresponding decline we are not seeing in terms of expenses, other expenses?

Girish Amesara: Other expense for e-voting?

Amit Chandra: No, no. So, in terms of the other expenses, we report, which was INR62 crores last quarter, which has come down to INR60.6 crores in this quarter. So, the decline of eVoting generally used to happen and we used to see the decline also corresponding the cost also in the other expenses. But this ex of that, the jump in or we can say that ex of the eVoting drop, the jump in other expenses is also pretty high. So, any one-offs there or anything that you want to highlight?

Girish Amesara: No, there are no one-off costs in comparison. If you look at overall other cost, it is in line with what our overall cost structure is. For example, if we speak about KRA, then interKRA has reduced, eSign expense has also reduced. The eVoting expenses is more or less in line with the income that we have generated in Dec-25 quarter.

Amit Chandra: Okay. Okay. And sir, lastly, now the increase in terms of the overall spend is higher than the growth. And also, the spend in technology seems to be pretty high and it's not like normalizing. So, is it fair to assume that we can ask for an issuer price hike, which is now pending for the last 10 years? And how is the regulator is saying to the proposal of having an issuer fee hike?

Nehal Vora: So, I think, Amit, as I've told earlier, we don't generally disclose the correspondence we have with the regulator. But I'm sure they are also seeing this probably at the appropriate time, the increase will come.

Moderator: Next question comes from the line of Siddharth S. from Vittae Money.

Siddharth S: I'd just like to quickly get clarity on 2 set of questions. So, I just wanted to understand how is the insurance repository side of the business? And what is the projections going forward in terms of the upcoming projects and the potential revenue contribution from that side of the business?

And second would be, as we can see for the past 1.5 years and as a general position that there is some softness that is prevailing in the capital markets in general in terms of the general market activity and with the commodities taking over and attracting a lot of investors right now. So, I just want to understand like how would you, your plans or some clarity on how would you like to navigate or what plans there to navigate and basically get through this phase of softness in general and the general long-term outlook should be good to go? Thank you.

Nehal Vora: First question, I'll ask Latesh to answer who is the CEO of Insurance Repository.

Latesh Shetty: Hi, Latesh here. Yes. From the Insurance Repository point of view, the operating revenue has been steady. And as you typically see, Jan, Feb and March period is the crucial period. So, we are trying to capitalize on this. And largely, we are in sync with the insurance industry growth. As you would have seen the IRDA numbers, the insurance industry policy number growth has been more or less stagnant. It's not been increasing as expected. But yes, within the same scheme of things, we are trying to increase our market share within this framework.

Nehal Vora: On your second question about commodities becoming more popular. So, I think this is really a market phenomenon dynamic, it keeps on changing as per changing circumstances, geopolitics, economic conditions, etc. As a market infrastructure provider, we are continuing to build on our systems, whether we have a great period or a lean period because when the growth comes, it comes all of a sudden like we've seen in the past 3 or 4 years.

So, we need to be well prepared because the infrastructure has to be well prepared for any kind of growth. How this will pan out in the overall scheme of things, I think India as a country is doing well. It is fundamentally strong. And that will get echoed in the necessary securities market and commodities market as per what the perception is of the entire securities market and commodities market.

So, I think it will be difficult to predict what will happen when. But we've seen that like any infrastructure company, if your infrastructure is well prepared, is well done, when the growth comes, you are prepared to take on that growth, and that's the time you see a significant uptick in the revenue. The intent is to ensure that it is a seamless infrastructure which is provided. And

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it is a continuous process of growth, continuous process of the evolution, which we need to continuously do as we move forward. I hope I have answered your question.

Moderator: Our next question comes from the line of Shreya Kejriwal from Moneyvesta Wealth Management. Please go ahead.

Shreya Kejriwal: So, my question is regarding the yesterday's news regarding the hike in the security transaction charges. So, could you share your views on how this might impact the CDSL revenue? So, this is my first question. And my second question is around the IPO and Corporate Action segment. This revenue is like around 2% to 3%. The growth has not been so promising. So, could you talk about the potential tailwinds you foresee for this segment going forward?

Nehal Vora: On the first one, there is no direct impact on the depository business. It's more on the trading side and futures and options is not a security, which is normally kept in these demat accounts. So I don't see any perceived impact on CDSL's line of business as of now.

The second question is on the IPO. I think, as I've said earlier that we are building our systems well so that whether there are a lot of large IPOs which are expected to come, So, CDSL has the right infrastructure to ensure that it can cater to these large demands. How much road is used, we are similar to a road. So how much a road is used depends on basically the traffic and other conditions. But the road provider has to ensure that the value proposition of that road continues to remain seamless. And that is what is the way we are building our line of business.

Moderator: Our next question comes from the line of Lalit Mohan Deo from Equirus Securities.

Lalit Deo: Sir, a few questions. So firstly, with respect to the TER cuts for the mutual fund business. So, there has been also talks about reducing the fixed cost for the AMCs such as like KYC charges, especially on the smaller investments. So, do we foresee any changes in the or any revisions in the KYC charges for us in terms of the new creation cost, which is INR20 and also the fetching which is INR35 going ahead?

Nehal Vora: We don't generally give futuristic things, but I'll ask Sunil to answer that.

Sunil Alvares: Like Nehal just said that in case there is any reduction in charges, we will inform the market accordingly. So yes, we'll have to wait and see.

Lalit Deo: Sir, just one data keeping question. Can you give us the revenue from the unlisted companies and the pledge income for this quarter?

Nehal Vora: I'll ask the CFO to answer.

Girish Amesara: Sure. So, the pledge margin pledge income in this quarter is INR5.42 crores and unlisted issuer income is INR2.66 crores and application processing income is INR3.17 crores.

Moderator: Our next question comes from the line of Sanketh Godha from Avendus Spark.

Sanketh Godha: Sir, you just mentioned in unlisted income, INR2.66 crores is the regular annual issuer income and INR3.17 crores is the joining fees what you earned in the quarter. That's the right understanding, sir?

Girish Amesara: Yes.

Sanketh Godha: Yes. Understood. And maybe one more data keeping, and I have a couple of questions. So if you can even quantify your impairment cost in the quarter?

Girish Amesara: In the quarter, it is INR4 crores on a stand-alone basis.

Sanketh Godha: Understood. Understood. And sir, just want to understand at any DP level or a broker level, have you seen mass migration happening from your company to another company? Or you have got any intimation that the guys who were invariably working exclusive with you have even started considering to open from a risk management point of view, maybe 2 demat account or to work with 2 depositories. Just wanted to understand whether there is any such kind of a development happened at your company level?

Nehal Vora: So, I think the number of demat accounts opened in each month-on-month is disclosed across both the depositories. Also, we put out how many DPs are registered in each quarter. So, I would really urge you to look at those numbers also. That will show you the picture where they are.

Finally, it is each DP's choice where they would like to see. And therefore, the value proposition and to the earlier question that why we invest, continue to invest in technology is to ensure that that value proposition remains intact. And more and more people would want to use the product, will sell for itself and there's a value proposition, which is put there.

Also, in terms of cost, we are INR0.50 cheaper than that of our competition. So, it is the overall scheme of things, which people will take into consideration as to where they would like to. But I think the numbers is something, which really speak for itself. So, we don't generally reveal. I think the question would be answered in that manner that the number of demat accounts opened at CDSL as well as NSDL will show it for itself that where the focus is.

Sanketh Godha: Understood, sir. Sir, the reason why I asked this question was, sir, that on an incremental basis, somehow maybe on an outstanding basis, we still have a leadership. But on an incremental basis, we lost a bit of market share. So, is it due to either guys going for 2 depositories or there is a mass migration? That was the reason why I asked. I understand the numbers speak about how the growth is happening. But given the incremental market share has dropped a bit, I was just asking from that perspective?

Nehal Vora: See, the incremental market share has dropped based on certain seasonal circumstances if some DP is facing slower growth in 1 or 2 months. But overall, if you see the numbers is ranging in that same range. So, there has been no significant drop as I would see it as of now. And our intent, as I said, is to ensure again and again, value proposition from a technology standpoint, from a service standpoint to ensure that more and more people continue to remain with us.

- Sanketh Godha:** Understood, sir. And one more question on maybe again on KYC because there is incrementally too much noise in the market that somewhere they kind of be capping or on the KYC fetching income, especially. And probably number of fetch multiple times if it's done for the same KYC record, they could be capped or utilized in multiple ways. Just wanted to understand that do you expect any big regulatory change to come in KYC business, especially from a revenue capping or the charges capping or the amount of fetches can be done for the same KYC record?
- Nehal Vora:** I'll ask Sunil to answer that.
- Sunil Alvares:** So currently, there is no capping for the same KYC record, primarily because there are different intermediaries fetching that record and they pay separately. So far as fetch is concerned, an intermediary fetches the record only once and we charge them a onetime fee of INR35. He can fetch the record as many times as he would like to. I hope that answers your question.
- Sanketh Godha:** Understood. Yes, sir. But if an intermediary already has done, it can be considered a validation for the other intermediary or no, he needs to do it again?
- Sunil Alvares:** Obviously, no. Why will one intermediary pay for another intermediary?
- Sanketh Godha:** Okay. Understood, sir. And lastly...
- Sanketh Godha:** I understand, sir. But someone we were assuming that there will be one more intermediate layer where it will fetch and pass it on to other intermediaries. And that intermediate layer will consider to be fetched once. So naturally, that funnel of number of fetches hitting your KYC business might come down. Anything on those lines is what I was considering is happening or not?
- Sunil Alvares:** See, the regulations are very clear that an intermediary has to fetch for itself. And no intermediary can share the KYC record for financial gain. So, these 2 things are very clear in the KRA regulations. In case any changes have to be done, the regulations have to be changed.
- Sanketh Godha:** Understood, sir. Perfect. And lastly, can you give your employee count, both for stand-alone and consol?
- Nehal Vora:** I'll ask CFO to answer.
- Girish Amesara:** Stand-alone basis, the employee cost is at..
- Sanketh Godha:** Number of people working, sorry?
- Girish Amesara:** Normally, we don't disclose employees count on a quarterly basis. We are disclosing in the annual report that we are publishing on a year-on-year basis.
- Sanketh Godha:** No, the reason I'm asking the reason again, sir, this question is asked because the employee cost has grown and even tech cost is going up. Is it we are hiring more people to overcome the tech cost, and that's leading to the tech and employee cost to go up relatively?

Girish Amesara: So, if you compare quarter-to-quarter, it has remained the same. Now if you compare to same quarter of previous year, obviously, there will be incremental costs required to be incurred, isn't it? So, the count will be available at the end of the financial year.

Sanketh Godha: Okay. Sir, I understand that point, but my more question was that is it more due to hiring or more due to increments? That's the only thing which I wanted to confirm.

Nehal Vora: I think, again, Sanketh, you can just say in Hindi we say, eat the fruit, why are you counting the trees. The important thing is that CDSL has a performance role. Now how many employees, whether it is increasing, whatever is required to ensure that it remains in business, the value proposition remains, that is what is most critical. And at the timeline when we are required to disclose at the end of the year, you will surely get the numbers.

Moderator: Our next question comes from the line of Rohan Nagpal from Helios Capital Management.

Rohan Nagpal: I had a question on the technology spend. So, as another participant pointed out that technology spend has grown a lot faster. So, it gone from about 7% of revenue to 14%. So just looking backwards in terms of what this has enabled for us, could you give us some sort of, some KPIs in terms of success rate on transactions or capacity of transactions that CDSL is able to handle as a result of the increasing investment intensity?

Nehal Vora: So, I think, Rohan, you've got to see the number of demat accounts growing quarter-on-quarter, month-on-month, quarter-on-quarter, year-on-year. Now as the number of demat accounts grow, the number of transactions grow, the margin pledge transactions grow, the number of securities, new IPOs come in, that many more ISINs grow. So, there are multiple facets, multiple touch points, which are continuously increasing and the number of people who are entering the market is also growing. So, it's a function of all this, which has to be put into play whilst how the technology has to keep in pace.

Second is there are newer ways on security side, on the application side, which make it easier, more seamless with AI coming in also. So, the technology has to keep in step with all these newer reforms which are coming into play also. So, it's a combination of all these points, which has to be put into play. Also, there are newer requirements from SEBI's security standpoint, they will shoot various circulars. The requirements are growing. So those also have to be fairly executed. So, I hope I've answered it.

Rohan Nagpal: Yes. So, is it fair to assume that this is the floor on like we have to spend at least this much on an ongoing basis on technology to ensure business continuity?

Nehal Vora: There is no simple answer to this because, see, the market is changing continuously. What are the new products which are going to come in the future? We also don't know. What those new products will entail in terms of newer processes, if there are new types of products, transactions which are coming into play, which are required by SEBI, etc. or by the wider ecosystem.

So it's a function of all this, whether the technology cost will remain what it is or it will grow. It is not a simple line because the line in which we are in technology and human resource is the raw material work in progress and finished goods. So, to continuously evolve as the market

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conditions change. And those market conditions are something which continuously will evolve. So there is no simple answer to this, whether it will remain the same, whether this is a floor, etcetera. It all depends on the circumstances.

Rohan Nagpal: Okay. So, put it different way, is there a portion of this technology spend that is a variable cost and a portion of this technology spend that is sort of an investment in the future? Just trying to understand like how this moves with businesses..

Nehal Vora: So, any technology system has costs which are on a routine basis and one which is building for the future also. So that's how good technology systems are built. But there is no fixed percentage, and we don't reveal also that percentage because it's a continuously evolving process. Because what was seen to be routine 3 years or 5 years ago has changed the way we actually perform now, and that will again change in the next 2 or 3 years. So, it's a continuous process of really evolution. And therefore, there is no simple firm answer to that.

Rohan Nagpal: Fair enough. I understand that. Just as a piece of feedback from the perspective of people modelling the operations CDSL, I think it would help if you could get slightly more disclosure in terms of what your fixed costs are in terms of technology since it has scaled significantly over the last few years. So, if we could get some sense of what portion is fixed variable, etc., and what is investment for the future? I think that would be really helpful for us as analysts to understand the company going ahead.

Nehal Vora: Yes. But the line of business, which we are in is difficult to predict the fixed cost and the variable cost. It all depends on circumstances and hence we are not putting it. It's not that we don't want to put it out. It's because of the kind of expenses which we are having.

It is tough for us to put it out what is firm fixed and what is firm variable because there are lines which go beyond fixed and variable also. So hence, we are not putting out. So whatever best we can put out, and we have been very transparent in whatever we have to put out is what we are putting out there.

Rohan Nagpal: Understood. Thank you. Thank you. That's it from my end.

Nehal Vora: Thank you.

Moderator: Thank you. The next question comes from the line from Amit Chandra from HDFC Securities. Please go ahead. Mr. Chandra, you may please proceed ahead with the question.

Amit Chandra: So, in the technology cost, we don't include any employees who are related to technology in this? Or is it only related to software and hardware spend that we do?

Nehal Vora: So, the employee cost is in the employee cost, which includes all employees, including technology employees. So, the cost is technology is for technology.

Amit Chandra: Okay. So, technology cost is just the hardware, and the software spend here, right? And if you can give some breakup in terms of what is hardware, what is software here because the rise has been more on the subsidiary side in this quarter, if I do just the consol minus standalone, so the

rise in the subsidiary has been significant. So, is it that the most of the investments are going in subsidiary? Or is it across standalone and CVL?

Nehal Vora: Yes. So, you've seen the numbers what is stand-alone versus what is in consolidated. But as I said earlier, infrastructure is a line of business that as you reach a certain scale, you need to invest in that. And the investment is in a larger proportion to the growth which you see. It's not commensurate with the growth you're seeing because it's kind of building a road.

Now the road cost has to be built. If you have to build from point A to B, that road has to be built. Now how many cars are going, if it's 5 cars also you have to build the same road, 50 cars also have to build the same road. But as the 50 becomes 500, the quality of the load, etcetera, of the road has to grow. And that cost is significantly higher.

So that is the same way we are investing in our subsidiary, again, to ensure that the value proposition remains intact and the clients and the customers who come to us feel that it is feeling the value proposition on whatever they are doing with us.

Amit Chandra: Okay. No, sir, that I understand, sir. But just in terms of numbers, you can break down this INR42 crores that we have spent. Is it only on licenses, opex because obviously, this is opex. But if you can give some more color in terms of what is because we are not including hardware spend here, right, because it is mostly capitalized.

Nehal Vora: Yes. We don't give that breakup because, again, that will not in the type of business, which we are in, it is difficult to give that breakup. So, we don't give that.

Amit Chandra: Okay. Okay, sir. Thank you.

Nehal Vora: Thank you.

Moderator: Thank you. Our next question comes from the line of Muskan Chopra from Motilal Oswal Financial Service. Please go ahead.

Muskan Chopra: Yes. So, I just wanted to know, can you give the financial data regarding CVL. Actually, it wasn't clear in the start.

Girish Amesara: Can you repeat the question? We could not...

Nehal Vora: Financial data regarding CVL.

Muskan Chopra: CVL, yes.

Girish Amesara: Financial data in the sense?

Muskan Chopra: The total income pack, whatever you gave, it wasn't actually very clear in the beginning.

Sunil Alvares: Just a minute. So, for the 9-month period December '25, revenue from operations was INR132 crores compared to INR189 crores in the 9 months FY '25. Total income was INR145 crores compared to INR206 crores in the previous year.

Total expenses were INR90 crores compared to INR83 crores in the previous year. Profit before tax was INR55 crores as against INR122 crores in the previous year. And profit after tax was INR42 crores as compared to INR91 crores in 9 months FY '25. So, I hope that answers your question.

Muskan Chopra: Yes, yes. Thank you.

Girish Amesara: Welcome.

Moderator: Thank you. As there are no questions from the participant, I would like to hand the conference over to Mr. Nehal Vora for the closing comments. Thank you, and over to you, sir.

Nehal Vora: Thank you all for your questions. We have all answered as per what is to the best of our ability. I hope we have answered your questions. Thank you and stay safe.

Moderator: Thank you so much, sir. Ladies and gentlemen, on behalf of HDFC Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.