

Price Waterhouse & Co Chartered Accountants LLP

Review Report

To
The Board of Directors
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051.

1. We have reviewed the consolidated unaudited financial results of National Stock Exchange of India Limited (the “Parent”), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the “Group”), and its share of the net profit after tax and total comprehensive income of its associate companies (refer Para 4 on the Report) for the quarter ended June 30, 2024 which are included in the accompanying Statement of Unaudited Consolidated Financial Results for the Quarter Ended June 30, 2024 (the “Statement”). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “SECC Regulations”) read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent’s Management and has been approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

Sr. No.	Name	Nature of Relationship
1	NSE Clearing Limited	Subsidiary Company
2	NSE Investments Limited	Subsidiary Company
3	NSE IFSC Limited	Subsidiary Company
4	NSE Administration and Supervision Limited	Subsidiary Company
5	NSE Sustainability Ratings & Analytics Limited	Subsidiary Company

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC-4262) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026F-300009 (ICAI registration number before conversion was 304026E)

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Sr. No.	Name	Nature of Relationship
6	NSE IFSC Clearing Corporation Limited	Subsidiary Company
7	NSEIT Limited	Subsidiary Company
8	NSE Data & Analytics Limited	Subsidiary Company
9	NSE Indices Limited	Subsidiary Company
10	NSE Infotech Services Limited	Subsidiary Company
11	NSEIT (US) Inc.	Subsidiary Company
12	Aujas Cybersecurity Limited	Subsidiary Company
13	NSE Academy Limited	Subsidiary Company
14	NSE Foundation	Subsidiary Company
15	TalentSprint Private Limited	Subsidiary Company
16	Cogencis Information Services Limited	Subsidiary Company
17	CXIO Technologies Private Limited	Subsidiary Company
18	TalentSprint Inc.	Subsidiary Company
19	National Securities Depository Limited	Associate Company
20	India International Bullion Holding IFSC Limited	Associate Company
21	Power Exchange India Limited	Associate Company
22	Protean eGov Technologies Limited	Associate Company
23	Market Simplified India Limited	Associate Company
24	Receivables Exchange Of India Limited	Associate Company
25	Indian Gas Exchange Limited	Associate Company
26	Capital Quant Solutions Private Limited	Associate Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 2 to the Statement, relating to the orders passed by the Securities and Exchange Board of India ("SEBI") in relation to preferential access to tick-by-tick data at the Parent's Colocation facility, Dark Fiber point-to-point connectivity and Governance and Conflict of Interest matters and the adjudication orders in relation to these matters. The future outcome of the above matters is uncertain at this stage. Based on the legal opinion obtained by the Parent, except for the penalty amount of Rs. 100 crores as mentioned in Note 2 to the Statement, no provision has been recognized towards the above matters. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial information of one subsidiary and consolidated interim financial information of two subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs.896.99 crores, total net profit after tax of Rs. 597.36 crores and total comprehensive income of Rs. 598.49 crores for the quarter ended June 30, 2024 as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net profit after tax of Rs. 0.43 crore and total comprehensive income of Rs. 0.45 crore for the quarter ended June 30, 2024, as considered in the consolidated unaudited financial results, in respect of one associate company, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors on which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures

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included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

8. The consolidated unaudited financial results include the interim financial information of two subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs.*, total net loss after tax of Rs. (1.59) crores and total comprehensive income of Rs. (1.47) crores for the quarter ended June 30, 2024 as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net profit after tax of Rs. 22.20 crores and total comprehensive income Rs. 24.03 crores for the quarter ended June 30, 2024 as considered in the consolidated unaudited financial results, in respect of four associates based on their interim financial information which have not been reviewed by their auditors. The unaudited consolidated financial results do not include Group's share of total comprehensive income/(loss) in respect of two associate companies in which investment of Rs. 21.62 crores made by the Group has been fully impaired. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

* represent figures below the rounding convention used in this report.

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



Amit Borkar
Partner
Membership Number: 109846
UDIN: 24109846BKGXTS1151

Place: Pune
Date: August 07, 2024



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

CIN : U67120MH1992PLC069769



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in crores unless otherwise stated)

Sr. No. Particulars	Quarter ended			Year ended
	30.06.2024 Unaudited	31.03.2024 Refer note 1	30.06.2023 Unaudited	31.03.2024 Audited
Continuing Operations				
1 Income				
(a) Revenue from operations	4,509.70	4,624.56	2,987.11	14,780.01
(b) Other Income	440.60	455.48	369.73	1,653.60
Total Income	4,950.30	5,080.04	3,356.84	16,433.61
2 Expenses				
(a) Employee benefits expense	147.68	118.68	113.72	460.39
(b) Regulatory Fees	268.85	301.56	185.93	980.57
(c) Depreciation and amortisation expense	126.07	116.32	103.45	439.55
(d) Other expenses	400.04	594.18	402.55	1,728.39
Total expenses (excluding contribution to Core settlement guarantee fund (Core SGF))	942.64	1,130.74	805.65	3,608.90
3 Profit before contribution to Core settlement guarantee fund (Core SGF), Share of net profits of associates accounted for using equity method and Tax from Continuing Operations (1-2)	4,007.66	3,949.30	2,551.19	12,824.71
4 Share of net profits of associates accounted for using equity method	24.57	22.12	22.63	100.54
5 Profit before Contribution to Core SGF and Tax (3+4)	4,032.23	3,971.42	2,573.82	12,925.25
6 Additional Contribution / provision to Core SGF (Refer note 5)	(587.34)	(574.25)	(50.49)	(1,740.97)
7 Profit before tax for the period / year from continuing operations (5-6)	3,444.89	3,397.17	2,523.33	11,184.28
8 Less: Income Tax expense				
(a) Current tax expense	951.32	850.13	565.89	2,626.16
(b) Deferred tax expense / (benefit)	(102.08)	46.75	75.45	151.64
Total tax expenses	849.24	896.88	641.34	2,777.80
9 Profit for the period / year from continuing operations (7-8)	2,595.65	2,500.29	1,881.99	8,406.48



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

CIN : U67120MH1992PLC069769



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in crores unless otherwise stated)

Sr. No. Particulars	Quarter ended			Year ended
	30.06.2024 Unaudited	31.03.2024 Refer note 1	30.06.2023 Unaudited	31.03.2024 Audited
10 Discontinued Operations (Refer note 10)				
(a) (Loss) from discontinued operations before tax	(22.48)	(9.27)	(33.02)	(79.58)
(b) Tax expense of discontinued operations	(6.45)	(3.18)	(5.01)	(21.16)
(Loss) from discontinued operations (a-b)	(28.93)	(12.45)	(38.03)	(100.74)
11 Profit for the period / year (9+10)	2,566.72	2,487.84	1,843.96	8,305.74
12 Other Comprehensive Income				
(a) <i>Items that will be reclassified to profit or loss (net of tax)</i>				
Changes in fair value of FVOCI debt instruments	3.27	5.25	9.88	15.58
Changes in foreign currency translation reserve	0.35	1.19	(0.21)	2.44
Changes in foreign currency translation reserve pertaining to discontinued operations	0.00	0.04	(0.02)	0.09
(b) <i>Items that will not be reclassified to profit or loss (net of tax)</i>				
Remeasurements of post-employment benefit obligations	(4.73)	0.13	(4.06)	(2.49)
Remeasurements of post-employment benefit obligations pertaining to discontinued operations	0.51	(0.27)	(0.61)	(2.81)
Changes in fair value of FVOCI equity instruments	5.45	(2.57)	2.00	(4.18)
Share of other comprehensive income of associates accounted for using the equity method	1.85	0.10	(1.03)	(3.00)
Total other comprehensive income / (loss) for the period / year, net of taxes	6.70	3.87	5.95	5.63
13 Total comprehensive income for the period / year (11+12)	2,573.42	2,491.71	1,849.91	8,311.37



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

CIN : U67120MH1992PLC069769



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in crores unless otherwise stated)

Sr. No. Particulars	Quarter ended			Year ended
	30.06.2024 Unaudited	31.03.2024 Refer note 1	30.06.2023 Unaudited	31.03.2024 Audited
14 Profit attributable to : Owners of National Stock Exchange of India Limited Non-Controlling Interests	2,566.88 (0.16)	2,487.23 0.60	1,844.19 (0.23)	8,305.66 0.08
15 Other comprehensive income attributable to : Owners of National Stock Exchange of India Limited Non-Controlling Interests	6.70 (0.00)	3.85 0.02	5.95 -	5.66 (0.03)
16 Total comprehensive income attributable to : Owners of National Stock Exchange of India Limited Non-Controlling Interests	2,573.58 (0.16)	2,491.08 0.62	1,850.14 (0.23)	8,311.32 0.05
17 Total comprehensive income attributable to owners arises from Continuing Operations Discontinued Operations	2,601.83 (28.25)	2,504.39 (13.30)	1,888.57 (38.43)	8,414.83 (103.51)
18 Paid-up equity share capital (Face value Re. 1 per share)	49.50	49.50	49.50	49.50
19 Reserves (excluding Revaluation Reserve)				23,924.91
20 Earnings per equity share for profit from continuing operations attributable to owners (FV Re. 1 each) - Basic and Diluted (Rs.)	52.44*	50.51*	38.02*	169.83
21 Earnings per equity share for profit / losses from discontinued operations attributable to owners (FV Re. 1 each) - Basic and Diluted (Rs.)	(0.58)*	(0.26)*	(0.76)*	(2.04)
22 Earnings per equity share for profit from continuing and discontinued operations attributable to owners (FV Re. 1 each) - Basic and Diluted (Rs.)	51.86*	50.25*	37.26*	167.79

* Not annualised

Segment Information

(a) Description of segments and principal activities

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

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

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

3: **Others** include results of operations from data feed services, data terminal services, strategic investments and index licensing services.

The above business segments have been identified considering :

a) the nature of products and services

b) the differing risks

c) the internal organisation and management structure, and

d) the internal financial reporting systems.

e) The Company has taken certain steps for internal reorganization in the direction of segregation of duties in line with SEBI recommendations, with consequent changes to the review by the Chief Operating Decision Maker (CODM) of the Company. Corresponding changes have been made to the segment information to reflect the above changes.

This treatment is in line with Ind AS 108 – Operating Segments. Accordingly previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosure.

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

(b) Segment Revenue :

Transactions between segments are carried out at arms length. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as unallocable. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2024 Unaudited	31.03.2024 Unaudited	30.06.2023 Unaudited	31.03.2024 Audited
Continuing Operations					
1	Segment Revenue				
	(a) Trading	4,083.46	4,149.81	2,833.56	13,586.63
	(b) Clearing	697.80	755.22	255.38	2,018.20
	(c) Others	145.08	179.10	152.57	643.17
		4,926.34	5,084.13	3,241.51	16,248.00
	Less : Inter Segment Revenue	416.64	459.57	254.40	1,467.99
	Total Segment Revenue	4,509.70	4,624.56	2,987.11	14,780.01
2	Segment Result				
	(a) Trading	2,878.47	2,772.58	1,887.11	9,079.30
	(b) Clearing	581.16	633.57	143.76	1,584.95
	(c) Others	60.85	51.20	99.56	319.81
	Segment Result	3,520.48	3,457.35	2,130.43	10,984.06
3	Add : Unallocable Income (Net of Expenses)	487.18	491.95	420.76	1,840.65
4	Profit before contribution to Core settlement guarantee fund (Core SGF), Share of net profits of associates accounted for using equity method and Tax from continuing operations) (2+3)	4,007.66	3,949.30	2,551.19	12,824.71
5	Share of net profits of associates accounted for using equity method	24.57	22.12	22.63	100.54
6	Profit before Contribution to Core SGF and Tax (4+5)	4,032.23	3,971.42	2,573.82	12,925.25
7	Additional contribution / provision to Core SGF	(587.34)	(574.25)	(50.49)	(1,740.97)
8	Profit before tax for the period / year from continuing operations (6-7)	3,444.89	3,397.17	2,523.33	11,184.28
9	Less: Income Tax expense				
	(a) Current tax expense	951.32	850.13	565.89	2,626.16
	(b) Deferred tax expenses	(102.08)	46.75	75.45	151.64
	Total tax expenses	849.24	896.88	641.34	2,777.80
10	Profit for the period / year from continuing operations (8-9)	2,595.65	2,500.29	1,881.99	8,406.48
11	Discontinued Operations (Refer note 13)				
	(a) (Loss) from discontinued operations before tax	(22.48)	(9.27)	(33.02)	(79.58)
	(b) Tax expense of discontinued operations	(6.45)	(3.18)	(5.01)	(21.16)
	(c) (Loss) from discontinued operations (a-b)	(28.93)	(12.45)	(38.03)	(100.74)
12	Profit for the period / year (10+11)	2,566.72	2,487.84	1,843.96	8,305.74

Segment Information

(c) Segment Assets :

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

Segments	(Rs. Crs)		
	30.06.2024	30.06.2023	31.03.2024
Trading Services	5,252.23	4,219.31	4,876.95
Clearing Services *	34,086.70	15,919.07	33,847.53
Others	908.60	888.77	886.03
	40,247.53	21,027.15	39,610.51
Less : Inter Segment Assets	194.87	67.23	114.32
Total Segment Assets	40,052.66	20,959.92	39,496.19
Asset Classified as held for Sale	863.27	843.45	852.50
Unallocable Assets	28,560.78	23,360.42	25,115.31
Total Assets	69,476.71	45,163.79	65,464.00

Treasury investments held by the Group are not considered to be segment assets but are managed by the treasury function. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable. Interest income are not allocated to segments, as these are not related to the primary business activities of the respective segments.

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

Particulars	(Rs. Crs)		
	30.06.2024	30.06.2023	31.03.2024
Contribution to Core SGF	9,130.28	5,197.37	8,818.99
Contribution to SGF - Commodity Derivatives	-	250.00	-
Contribution to Core SGF - NSE IFSC CC	40.32	13.69	38.25

(d) Segment Liabilities

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

Segments	(Rs. Crs)		
	30.06.2024	30.06.2023	31.03.2024
Trading Services	8,223.33	5,059.55	7,036.49
Clearing Services	32,468.04	15,807.02	32,743.25
Others	147.42	107.25	74.56
	40,838.79	20,973.82	39,854.30
Less : Inter Segment Liabilities	192.31	53.26	139.24
Total Segment Liabilities	40,646.48	20,920.58	39,715.06
Liabilities directly associated with assets classified as held for Sale	356.54	431.35	369.32
Unallocable Liabilities	1,927.81	1,517.01	1,405.74
Core Settlement Guarantee Func	(9,725.63)	(5,512.56)	(8,910.45)
Total Liabilities	33,205.20	17,356.38	32,579.67

Notes :-

- 1 The above Consolidated Unaudited Financial Results for the quarter ended June 30, 2024, have been reviewed by the Audit Committee in its meeting held on August 6, 2024 and approved by the Board of Directors in its meeting held on August 7, 2024. The financial results for the quarter ended June 30, 2024, were reviewed by the Statutory Auditors of the Company. The figures for the quarter ended March 31, 2024 are the balancing figures between audited figures in respect of full financial year and published year to date figures upto the third quarter of the respective financial year.
- 2 Securities and Exchange Board of India (SEBI) directed National Stock Exchange of India Limited ('NSE') to carry out an investigation including forensic examination by independent external agencies in respect of certain aspects of NSE's Colocation facility and further directed that pending completion of the investigations, all revenues emanating from the colocation facility be transferred to a separate bank account with effect from September, 2016.

Three separate show cause notices (SCN) on May 22, 2017, July 03, 2018, and July 31, 2018, were issued by SEBI to NSE and to some of its present and former employees, in respect of NSE's Colocation facility, Dark Fibre and Governance and conflict of interest related matters. Subsequently, SEBI had passed orders in respect of all the three SCNs vide its letter dated April 30, 2019.

In the Colocation order, Whole Time Member (WTM) passed a direction on NSE inter-alia to disgorge an amount of Rs. 624.89 crores along with interest at the rate of 12% per annum from April 01, 2014, till the actual date of payment and certain non-monetary and restrictive directions prohibiting NSE from accessing securities market, for a period of six months from the date of the order. In the Dark Fibre order, WTM passed a direction to deposit a sum of Rs. 62.58 crore along with interest at the rate of 12% p.a. from September 11, 2015, till the actual date of payment along with certain non-monetary and restrictive directions and in Governance and Conflict of Interest matter WTM had passed certain non-monetary and remedial directions on NSE.

Additionally, NSE also received notices from Adjudicating Officer (AO) covering the above three issues pertaining to NSE's Colocation facility, Dark Fibre and Governance and conflict of interest matters, and subsequent orders dated February 10, 2021, June 28, 2022, and February 11, 2022, levying monetary penalty of Rs. 1 crore, Rs. 7 crore and Rs. 1 crore, respectively.

NSE filed appeals with the Hon'ble Securities Appellate Tribunal (SAT) against the above three WTM and AO orders. In the Colocation and Dark Fibre matters, SAT vide its interim order dated May 22, 2019, stayed the disgorgement of the amount, however it directed NSE to transfer the amount of Rs. 624.89 crore in the Colocation matter and Rs. 62.58 crore in the Dark Fibre matter totalling to Rs. 687.47 crore to SEBI. Further, NSE was also directed to continue to transfer all revenues emanating from its co-location facility to a separate bank account. Additionally in the Governance and conflict of interest matters, Hon'ble SAT vide its interim order dated August 11, 2022, has kept the directions passed in the SEBI order in abeyance.

The Hon'ble SAT, vide its interim order dated May 17, 2021, allowed NSE's application for withdrawal of amounts transferred to separate account and to discontinue the transfer of all revenues emanating from its-colocation facility to such separate bank account. Additionally, the Hon'ble SAT directed NSE to transfer an amount of Rs.420 Crores into an interest-bearing account with SEBI. Accordingly, NSE had, deposited a total amount of Rs.1107.47 Crores with SEBI.

In relation to the appeal filed for colocation matter, Hon'ble SAT vide its final order dated January 23, 2023, upheld the non-monetary directives of SEBI inter-alia setting aside SEBI's direction for disgorgement. The Hon'ble SAT exercising its power imposed a penalty of Rs. 100 crores on NSE as a deterrent for the lack of due diligence. On July 12, 2023, SAT vide its final order in Colocation AO Appeal set aside SEBI's order levying a penalty of Rs.1 Crore.

In the Dark Fibre WTM matter, SAT vide its final order dated August 9, 2023, partly allowed the appeal to the extent that the WTM order for disgorgement has been reversed and the amount deposited by NSE with SEBI to be refunded by SEBI within a period of 4 weeks from the date of the order. On December 14, 2023, SAT vide its final order in Dark Fibre AO Appeal set aside SEBI's order levying a penalty of Rs.7 Crores. In the proceedings pertaining to the Governance and Conflict of interest matters challenging SEBI's WTM and Adjudication orders are pending for final hearing and disposal by SAT.

SEBI appealed against the SAT Colocation WTM Order dated January 23, 2023, before the Hon'ble Supreme Court and vide an interim order dated March 20, 2023, the Hon'ble Supreme Court rejected the application for stay and directed SEBI to refund an amount of Rs.300 Crores. The amount of Rs.300 Crores was received by NSE on April 21, 2023.

SEBI appealed against the SAT Colocation AO Order dated July 12, 2023, before the Hon'ble Supreme Court and vide an interim order dated October 10, 2023, the Hon'ble Supreme Court directed the parties to complete the pleadings and tagged the AO appeal with the Colocation WTM Appeal. Both the Appeals are pending for final hearing and disposal.

SEBI appealed against the SAT Dark Fibre WTM order dated August 9, 2023, before the Hon'ble Supreme Court and vide an interim order dated October 17, 2023, the Hon'ble Supreme Court rejected the application for stay and directed SEBI to refund an amount of Rs. 31 Crores. The amount of Rs.31 Crores was received by NSE on November 17, 2023.

SEBI appealed against the SAT Dark Fibre AO Order dated December 14, 2023 before the Hon'ble Supreme Court and vide its interim order dated April 10, 2024 the Hon'ble Supreme Court tagged the Dark Fibre AO Appeal along with the Dark Fibre WTM Appeal, which is adjourned to September 9, 2024, for final hearing and disposal.

Basis the SAT order dated January 23, 2023, SEBI's WTM issued another SCN dated May 17, 2023, to consider the charge of connivance and collusion of OPG Securities and its directors with NSE employees. NSE filed a detailed response on August 3, 2023, against the same. Personal hearing in the matter has been concluded on February 2, 2024, and the order is awaited.

NSE believes that it has strong grounds to contest each of the above orders / appeals including monetary liability (including from completed / pending adjudication proceedings) passed by SEBI. Accordingly, no provision for any liability in this regard is considered necessary in the financial result for the quarter ended June 30, 2024, other than a penalty of Rs. 100 crore imposed by the Hon'ble SAT which had been duly adjusted against the amount deposited by NSE during the year ended March 31, 2023.

In the Governance and conflict of interest matters before Hon'ble SAT challenging SEBI WTM and AO orders, stay was granted by SAT on July 9, 2019, and August 11, 2022, respectively. Subsequent to the quarter ended June 30, 2024, NSE has filed an application for withdrawal of both the appeals which was approved by the Hon'ble SAT vide its order dated July 24, 2024, disposing of NSE's appeals as withdrawn. On July 29, 2024, NSE has paid monetary penalty levied by the AO vide order dated June 30, 2022 along with the interest as on the date of the payment. NSE is in the process of complying with the directives passed by the WTM in its order dated April 30, 2019.

- 3 NSE was in receipt of Show Cause Notice issued by SEBI on October 9, 2019, and a Supplementary Notice on December 16, 2019, alleging certain irregularities in the appointment of Chief Strategic Advisor and his re-designation as 'Group Operating Officer and Advisor to MD' by the former Managing Director & Chief Executive Officer and the sharing of certain internal information pertaining to NSE with an alleged third party. SEBI vide order dated February 11, 2022, levied penalty of Rs. 2 Crore which was paid by NSE. In this direction investigating agencies have been making inquiries and seeking various information, data etc. from NSE, which is being provided.
- 4 NSE and the employees, past and present received a SCN dated February 28, 2023, from SEBI on the Trading Access Point (TAP) matter. NSE has filed the settlement application ("the Application") in response to the said SCN vide letter dated April 28, 2023. In the Application, NSE has submitted its grounds of consent and has also stated that it is consenting without admission of liability or guilt and is willing to pay a reasonable amount in line with the settlement regulations. Thereafter, on July 10, 2023, NSE filed a detailed reply to the Show Cause Notice with SEBI. Basis the Settlement Application filed by NSE and the employees, SEBI conducted several Internal Committee meetings with NSE and the employees through their Advocates. On March 5, 2024, NSE had filed as Revised Settlement Terms (RST) with SEBI. SEBI on May 24, 2024, informed that the HPAC has refused to accept the consolidated settlement offer and has instead directed to submit individual application with RST. On June 14, 2024, NSE after getting its Board approval has filed a RST with SEBI for a settlement. Revert from SEBI is awaited.
- 5 The Board of Directors of the NSE in their meeting held on March 23, 2023, approved the voluntary contribution at 2% of the transaction charges earned to the Core Settlement Guarantee Fund (Core SGF) to maintain the corpus of the said Fund based on the assessment of the current trends in volumes and overall increase in market activities. Further, SEBI vide its letter no. SEBI/HO/MRD-PoD-2/P/OW/2024/15969/1 dated May 3, 2024, advised the Company to augment Core SGF of F&O segment of NSE Clearing Ltd (NCL) to Rs. 10,500 crores. Pursuant to the said letter, during the quarter ended June 30, 2024, the Company has made provision towards Contribution to Core SGF in addition to the voluntary contribution of 2% of the transaction charges. NSE has recognised an expense of Rs. 587.34 crores towards contribution to the Core SGF in the financial results for the quarter ended June 30, 2024.
- 6 The Board of Directors of the NSE in their meeting held on May 3, 2024, recommended issue of bonus equity shares in the proportion of 4 (four) bonus shares of Re. 1/- each for every existing 1 (one) fully paid up equity shares of Re. 1 each and increase in Authorised Share Capital from Rs. 50 crores (comprising 50 crores shares of Re. 1 each) to Rs. 500 crores (comprising 500 crores shares of Re. 1 each) which was duly approved by the shareholders through postal ballot. SEBI application seeking approval for alteration to the Memorandum of Association for increase in the authorized share capital has been submitted on July 31, 2024 and the approval from the SEBI is awaited.

- 7 (a) In case of NSE Clearing Limited (NCL), Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, interalia, has issued norms related to the computation and Minimum Required Contribution (MRC) to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%).

Details of Core SGF as on June 30, 2024 is as follows: (Rs. in Crores)

	CM	FO	CD	Debt	TRI Party	Commodity	Other	Total
NSE Clearing Ltd `s contribution(NCL)	194.00	2,594.00	122.00	3.00	8.50	5.00	-	2,926.50
National Stock Exchange of India Ltd `s (NSE) Contribution	88.73	2,530.93	59.51	1.00	8.50	2.50	-	2,691.17
Contribution by NSE on behalf of Members	97.00	606.00	61.00	-	-	2.50	-	766.50
BSE Limited `s Contribution	8.27	16.65	16.32	-	-	-	-	41.24
Metropolitan Stock Exchange of India `s Contribution	0.00	-	2.93	-	-	-	-	2.93
Penalty	348.76	1,466.29	58.08	-	-	0.41	-	1,873.54
Income on Investments	99.10	676.54	40.24	1.11	7.06	3.35	-	827.40
Others	1.00	-	-	-	-	-	-	1.00
Total	836.86	7,890.41	360.08	5.11	24.06	13.76	-	9,130.28

- NCL's own contribution to Core SGF appropriated out of profits for the quarter ended June 30, 2024 NIL, quarter ended March 31, 2024 Rs. 1,400 crores of an additional contribution with an objective to augment the Core SGF as desired by SEBI, for quarter ended June 30, 2023 Rs. 41.00 crores and for the year ended March 31, 2024 Rs. 1,441 crores.

- For the quarter ended June 30, 2024, an amount of Rs.74.95 crores, quarter ended March 31 ,2024 Rs. 571.08 crores, quarter ended June 30, 2023 Rs.199.45 crores and for the year ended March 31, 2024 Rs.1,901.25 has been received from NSE to further augment the Core SGF of equity derivative segment (FO).

- During the quarter ended June 30, 2024, the NSE has received a letter dated May 03, 2024 from SEBI advising NCL/NSE to augment Core SGF of NCL in equity derivative segment (FO) to at least Rs. 10,500 crores within six months. Accordingly, NCL's additional contribution amounting to Rs. 1,382.00 crores and NSE's additional contribution amounting to Rs.1,849.99 crores along with Income included under 'Other' as at March 31, 2024 has been transferred to FO segment. Further, NCL's additional contribution amounting to Rs. 18.00 crores and NSE's contribution amounting to Rs. 11.73 crores along with Income included under 'Other' as at March 31, 2024 has also been transferred to CM segment.

(b) In case of the subsidiary company NSE IFSC Clearing Corporation (NICCL), as per Regulation 31 of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 notified on 12th April 2021, a recognised clearing corporation shall establish and maintain a Settlement Guarantee Fund to guarantee the settlement of trades executed in the stock exchanges in International Financial Service Centre (IFSC) and the fund shall have a corpus equivalent to at least the minimum required corpus as arrived at from the monthly stress test value or USD 1 million, whichever is higher.

	(Amount in Rs Crores)		
	30.06.2024	30.06.2023	31.03.2024
Contribution by NICCL	38.55	13.21	36.89
Fines & Penalties	0.08	0.05	0.08
Income on investments	1.69	0.42	1.29
Total	40.32	13.68	38.25

- 8 Total bank guarantee provided by NCL in favour of ICCL towards Inter Clearing Corporation collateral under interoperability framework as prescribed by SEBI as on June 30, 2024, is Rs. 8,000 crores (March 31, 2024 : Rs.8,000 crores and June 30, 2023 is Rs.5,500 crores.)
- 9 During the previous year ended March 31, 2024, SEBI issued a show cause notice to NCL alleging non-compliance with certain regulations of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 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 NCL 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. NCL 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 results as of and for the quarter ended June 30, 2024.
- 10 NSE Investment Limited vide its Board meeting held on February 1, 2023, had in-principle approved sale / divestment of Education Business and Technology Business subject to required regulatory approval. Accordingly, the management has classified the business operations of Education Business and Technology Business as discontinued operations as they meet the conditions as prescribed under Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. Details of discontinued operations is given as under :

In respect of subsidiary company namely NSEIT Limited, the Board vide its meeting held on March 22, 2024, has accorded their approval for transfer of its "Digital Technology Services" on slump sale basis along with all three subsidiary companies namely Aujas Cybersecurity Limited, CXIO Technologies Private Limited and NSEIT (US) Inc. to the shortlisted buyer viz. Investcorp India Asset Managers Pvt. Ltd and its affiliates (Investcorp) for a total enterprise valuation of Rs. 1,000 Crore where equity value is subject to the agreed net-debt and working capital position as on the closing date.

Post the above approval, NSEIT has entered into binding agreements viz. Business Transfer Agreement (BTA) and Share Subscription and Purchase Agreement (SSPA) both dated 29th April 2024 ("binding agreements") with affiliates of Investcorp to give effect to the above transaction subject to satisfaction of closing conditions as per the binding agreements.

The financial performance information of Discontinued Operations presented are as follows :

Particulars	Quarter ended			Year ended
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
Total Income *	266.80	315.17	244.25	1,090.11
Total Expenses *	289.28	324.44	277.27	1,169.69
(Loss) from discontinued operations before tax	(22.48)	(9.27)	(33.02)	(79.58)
Tax expense of discontinued operations	6.45	3.18	5.01	21.16
(Loss) from discontinued operations (a-b)	(28.93)	(12.45)	(38.03)	(100.74)

* The Group has elected the policy to eliminate the intra-group transactions within the discontinued operations. Accordingly intra group transactions have been eliminated from total income and expenses, as applicable.

- 11 Previous period's / year figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosure.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 7, 2024

Ashishkumar Chauhan
Managing Director & CEO
DIN : 00898469