

STATEMENT OF UNAUDITED AND PROVISIONAL CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in crores unless otherwise stated)

| Sr. No. Particulars  | Quarter ended           |                         |                         | Nine months ended       |                         | Year ended            |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
|  | 31.12.2017<br>Unaudited | 30.09.2017<br>Unaudited | 31.12.2016<br>Unaudited | 31.12.2017<br>Unaudited | 31.12.2016<br>Unaudited | 31.03.2017<br>Audited |
| <b>1 Income</b>  |                         |                         |                         |                         |                         |                       |
| (a) Revenue from operations  | 687.96                  | 620.00                  | 498.17                  | 1,888.32                | 1,531.89                | 2,104.26              |
| (b) Other Income   | 90.50                   | 111.62                  | 121.44                  | 310.04                  | 431.23                  | 576.57                |
| <b>Total Income</b>  | <b>778.46</b>           | <b>731.62</b>           | <b>619.61</b>           | <b>2,198.36</b>         | <b>1,963.12</b>         | <b>2,680.83</b>       |
| <b>2 Expenses</b>  |                         |                         |                         |                         |                         |                       |
| (a) Employee benefits expense  | 66.25                   | 67.46                   | 59.17                   | 198.12                  | 181.38                  | 240.18                |
| (b) Depreciation and amortisation expense  | 31.29                   | 32.67                   | 29.64                   | 93.53                   | 89.50                   | 118.14                |
| (c) Other expenses   | 143.96                  | 130.12                  | 155.33                  | 395.66                  | 382.92                  | 525.47                |
| <b>Total expenses (excluding contribution to Core Settlement Guarantee Fund)</b>   | <b>241.50</b>           | <b>230.25</b>           | <b>244.14</b>           | <b>687.31</b>           | <b>653.80</b>           | <b>883.79</b>         |
| <b>3 Profit before share of net profits of investments accounted for using equity method, contribution to Core SGF and tax (1-2)</b> | <b>536.96</b>           | <b>501.37</b>           | <b>375.47</b>           | <b>1,511.05</b>         | <b>1,309.32</b>         | <b>1,797.04</b>       |
| 4 Share of net profit of associates and joint ventures accounted by using equity method  | 32.00                   | 26.68                   | 22.71                   | 89.90                   | 78.21                   | 111.67                |
| <b>5 Profit before contribution to Core SGF and tax (3+4)</b>  | <b>568.96</b>           | <b>528.05</b>           | <b>398.18</b>           | <b>1,600.95</b>         | <b>1,387.53</b>         | <b>1,908.71</b>       |
| 6 Contribution to Core Settlement guarantee fund (Core SGF) ( Note 1)  | -                       | -                       | -                       | -                       | -134.07                 | -134.07               |
| <b>7 Profit before tax (5-6)</b>   | <b>568.96</b>           | <b>528.05</b>           | <b>398.18</b>           | <b>1,600.95</b>         | <b>1,253.46</b>         | <b>1,774.64</b>       |
| 8 Less: Income Tax expenses  |                         |                         |                         |                         |                         |                       |
| (a) Current tax  | 163.81                  | 184.88                  | 135.34                  | 508.36                  | 371.69                  | 516.31                |
| (b) Deferred tax   | -0.25                   | -10.09                  | -4.24                   | -6.51                   | 26.37                   | 39.51                 |
| <b>Total Tax expenses</b>  | <b>163.56</b>           | <b>174.79</b>           | <b>131.10</b>           | <b>501.85</b>           | <b>398.06</b>           | <b>555.82</b>         |
| <b>9 Profit for the period (7-8)</b>   | <b>405.40</b>           | <b>353.26</b>           | <b>267.08</b>           | <b>1,099.10</b>         | <b>855.40</b>           | <b>1,218.82</b>       |
| <b>10 Other Comprehensive Income</b>   |                         |                         |                         |                         |                         |                       |
| (a) Items that will be reclassified to profit or loss (net of tax)   |                         |                         |                         |                         |                         |                       |
| Changes in fair value of FVOCI debt instruments  | -13.22                  | -6.94                   | -9.87                   | -13.12                  | 12.89                   | 8.25                  |
| (b) Items that will not be reclassified to profit or loss (net of tax)   |                         |                         |                         |                         |                         |                       |
| Remeasurements of post-employment benefit obligations  | -0.01                   | -0.43                   | 0.01                    | -2.00                   | -6.21                   | -6.87                 |
| Changes in fair value of FVOCI equity instruments  | -0.31                   | -1.50                   | 0.95                    | -0.78                   | 5.59                    | -23.58                |
| Share of other comprehensive income of associates and Joint Ventures accounted by using the equity method                            | -0.28                   |                         |                         | -0.28                   | -0.37                   | -1.75                 |
| Changes in foreign currency translation reserve  | -2.28                   | 0.71                    |                         | -1.48                   |                         | -2.40                 |
| <b>Total other comprehensive income for the period, net of taxes</b>   | <b>-16.10</b>           | <b>-8.16</b>            | <b>-8.91</b>            | <b>-17.66</b>           | <b>11.90</b>            | <b>-26.35</b>         |
| <b>11 Total comprehensive income for the period / year (9+10)</b>  | <b>389.30</b>           | <b>345.10</b>           | <b>258.17</b>           | <b>1,081.44</b>         | <b>867.30</b>           | <b>1,192.47</b>       |
| 12 Paid-up equity share capital (Face value Rs. 1 per share)   | 49.50                   | 49.50                   | 49.50                   | 49.50                   | 49.50                   | 49.50                 |
| 13 Reserves (excluding Revaluation Reserve)  | 6,951.04                | 6,995.11                | 6,834.85                | 6,951.04                | 6,834.85                | 7,160.13              |
| 14 Earnings per equity share (EPS) ( FV Rs.1 each)   |                         |                         |                         |                         |                         |                       |
| After contribution to Core Settlement Guarantee Fund   |                         |                         |                         |                         |                         |                       |
| - Basic and Diluted (Rs.)  | 22.2 *                  | 14.01 *                 | 17.28 *                 | 22.2 *                  | 17.28 *                 | 24.62 *               |
| Before contribution to Core Settlement Guarantee Fund  |                         |                         |                         |                         |                         |                       |
| - Basic and Diluted (Rs.)  | 22.2 *                  | 14.01 *                 | 19.05 *                 | 22.2 *                  | 19.05 *                 | 26.39 *               |
| * Not annualised   |                         |                         |                         |                         |                         |                       |

Notes :

1 On June 20, 2012, Securities Exchange Board of India ("SEBI") notified Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012 ("the Regulations") to regulate recognition, ownership and governance in stock exchanges and clearing corporations in India. In accordance with Regulation 33 of the Regulations, every recognized stock exchange was required to transfer twenty five percent (25%) of its annual profits every year to a Settlement Guarantee Fund ("SGF") of the recognized clearing corporation(s) which clears and settles trades executed on that stock exchange to guarantee settlement of trades. Subsequently, SEBI in its press release No.66/2012 dated June 21, 2012 made an announcement about expert committee being formed to inter-alia look into the norms for adequacy of the core corpus of the SGF and it's sourcing, including transfer of profits by stock exchanges to SGF in the long run. As a matter of prudence, the Company had recorded the provisional appropriation from reserve at 25% of its annual profit after tax in its financial statements.

On August 27, 2014, SEBI vide its circular no. CIR/MRD/DRMNP/25/2014 issued norms relating to Core Settlement Guarantee Fund ("Core SGF") and contribution requirements by recognised stock exchange to Core SGF maintained by clearing corporations. As per the circular, stock exchange contribution to Core SGF shall be at least 25% of the Minimum Required Contribution ("MRC") determined by clearing corporation. The contribution towards Core SGF is eligible to be adjusted against twenty five percent transfer of profits by stock exchange under the Regulations. Accordingly, the Company had recorded a provisional appropriation of Rs. 527.19 crores as at March 31, 2015 (net of Rs. 170 crores for contribution to MRC of Core SGF for the year ended March 31, 2015) and the same had been disclosed as Core Settlement Guarantee Fund in the Consolidated Balance Sheet of the Company as on April 1, 2015.

On May 4, 2016, SEBI in its circular no. SEBI/HO/MRD/DRMNP/CIR/2016/54 notified that the provisions made by stock exchange towards the transfer of profits to SGF until March 31, 2015 shall be transferred to the Core SGF maintained by the clearing corporation in respect of the period from April 01, 2015 till the date of amendment of the Regulations by SEBI. Accordingly, the provisional appropriations made out of reserve aggregating to Rs. 527.19 crores disclosed as provision in the Consolidated Balance Sheet of the Company as on March 31, 2015 was reversed and an expense of Rs. 527.19 crores was recorded in the Consolidated Statement of Profit and Loss for the year ended March 31, 2016. During the year ended March 31, 2016, the Company had also recorded an expense of Rs. 163.30 crores (net of Rs. 71 crores for contribution to MRC of Core SGF for the year ended March 31, 2016) in its Consolidated Statement of Profit and Loss and other current liability of Rs. 690.50 crores in its Consolidated balance sheet as of March 31, 2016.

Effective August 29, 2016, SEBI has amended Regulation 33 of SECC Regulations, 2012 and the Company is now required to contribute only towards the MRC of Core SGF. Accordingly, during the nine months ended December 31, 2016 and year ended March 31, 2017, the Company has recorded an expense of Rs. 121.07 crores (pro-rata based on profits till the date of amendment of the Regulation) (net of Rs. 13 crores for contribution to MRC of Core SGF for the nine months ended December 31, 2016 and year ended March 31, 2017) in its Consolidated Statement of Profit and Loss and disclosed Rs. 284.39 crores as the amount payable to Core SGF in its Consolidated Balance Sheet as of December 31, 2016 and March 31, 2017. Subsequently, SEBI, vide its letter dated June 29, 2017, has advised to transfer the same to the Core SGF maintained by the clearing corporation. Accordingly, an amount of Rs. 284.39 crores has been transferred on July 7, 2017.

Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, inter alia, has issued norms related to the computation and contribution to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%). Further SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016 advised Stock Exchange to transfer 25% of its annual profits to Core SGF, accordingly total Core SGF as on December 31, 2017 is Rs. 2,345.64 crore comprising of Rs.717 crore contributed towards the Core Settlement Guarantee Fund (Core SGF) by NSCCL by appropriating reserves / profits, an amount of Rs.359 crore received from NSE towards Core SGF. Member's contribution to Core SGF amounting to Rs. 356 crore is utilised out of the amount received from NSE towards 25% of its annual profits upto August 2015 and the balance amount of 25% of Exchange profits amounting to Rs. 350.59 crore is credited to Core SGF. In addition to the above Fines & penalties collected by NSCCL amounting to Rs.272.70 crore and an amount of Rs. 290.35 crore being Income from investments of Core SGF funds have been credited to Core SGF. NSCCL's own contribution to Core SGF for the quarter and nine months ended December 31, 2017 amounting to Rs.48 crore and Rs.192 crore, respectively, (for the quarter ended September 30, 2017 Rs. 121 crore, for the quarter and Nine months ended December 31, 2016 Rs. Nil and Rs. 37.12 crore, respectively, and for the year ended March 31, 2017 amounting to Rs.37.12 crore) have been appropriated out of profits.

2 SEBI has directed the Company to carry out an investigation including forensic examination by an independent external agency in respect of Company's Colocation facility.

In this regard, SEBI has directed that, pending completion of investigation to the satisfaction of SEBI, all revenues emanating from colocation facility including the transaction charges on the trades executed through colocation facility be placed in a separate bank account. Accordingly, till date, an amount of Rs. 945.44 crores was transferred to a separate bank account and the same along with income earned thereon remains invested in mutual funds. Mutual fund investment is shown as restricted investment in current investment. Further, the Company has filed consent application with SEBI on July 20, 2017. The management is of the view that pending conclusion of this matter with SEBI, a reliable estimate of the obligation in respect of this matter cannot be presently made and therefore no provision / adjustment to this effect has been made in the financial results for the quarter and nine months ended December 31, 2017.

3 The Company has paid Final Dividend of Rs. 715.16 crores (including Dividend distribution tax) as approved by the Shareholders in the Annual General Meeting held on August 4, 2017. The Company has also paid an Interim Dividend of Rs. 407.29 crores (including Dividend distribution tax) as approved by the Board of Directors at its meeting held on November 2, 2017.

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

