

Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
National Stock Exchange of India Limited
Exchange Plaza, Plot No C-1
Bandra Kurla Complex, Bandra (East)
Mumbai -400 051.

Independent Auditor's Report on the Statement of Standalone Financial Results

1. We have audited the accompanying Statement containing the annual audited standalone financial results of National Stock Exchange of India Limited (the "Company") for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have initialed under reference to this report.

Management's Responsibility for the Standalone Financial Results

2. Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited standalone financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - (ii) the annual audited standalone financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of profit and other comprehensive income), and other financial information of the Company for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

Price Waterhouse & Co Chartered Accountants LLP, 252, Veer Savarkar Chartered Accountants Nagar (West)
Mumbai - 400 028
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata 700101

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



Price Waterhouse & Co Chartered Accountants LLP

Emphasis of Matter

7. We draw your attention to Note 1 to the Statement regarding the figures for the quarter ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not modified in respect this matter.
8. We draw your attention to Note 5 to the Statement, relating to the contingent liability, that describes the Orders issued by the Securities and Exchange Board of India (SEBI) on April 30, 2019 wherein disgorgement/demand aggregating Rs. 687.47 crores (excluding interest thereon at 12% p.a. from April 1, 2014 till the actual date of payment in respect of one Order and from September 11, 2015 till the actual date of payment in respect of the second Order) has been raised against the Company pursuant to an investigation conducted in relation to preferential access to tick by tick data at the Company's Colocation facility, Dark Fibre point to point connectivity and Governance and related matters. SEBI has further directed the Company to undertake certain remedial measures, actions and imposed restrictions. The Company has also received Adjudication notices covering identical matters, facts, circumstances and grounds as stated in each of the above Orders, which are currently pending for hearing before SEBI. The Company is in the process of filing appeal to contest the aforesaid Orders with the Hon'ble Securities Appellate Tribunal, the future outcome of which is uncertain at this stage. Based on the legal opinion obtained by the Company, no provision for any liability has been made towards the aforesaid demand from the Orders, including any monetary penalty from the pending Adjudication proceedings in these financial statements. Our opinion is not modified in respect of this matter.

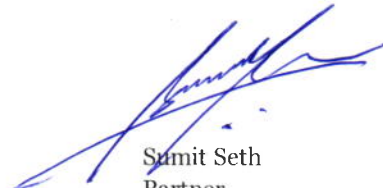
Other Matter

9. The Statement dealt with by this report has been prepared for the express purpose of complying with Regulation 33 of Securities Contracts (Regulation) (Stock Exchange and Clearing Corporations) Regulations, 2018 (the "SECC Regulations") read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"). This Statement is based on and should be read with the audited financial statements of the Company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated May 16, 2019.

Restriction on Use

10. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 9 above. This report should not be otherwise used by any other party for any other purpose.

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



Sumit Seth
Partner
Membership Number 105869

Place: Mumbai
Date: May 16, 2019



NATIONAL STOCK EXCHANGE OF INDIA LIMITED



STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019

(₹ in crores unless otherwise stated)

Sr. No. Particulars	Quarter ended			Year ended	
	31.03.2019 Unaudited	31.12.2018 Unaudited	31.03.2018 Unaudited	31.03.2019 Audited	31.03.2018 Audited
1 Income					
(a) Revenue from operations	604.69	628.20	616.77	2,450.44	2,132.72
(b) Other Income	208.73	101.52	78.46	578.31	459.51
Total Income	813.42	729.72	695.23	3,028.75	2,592.23
2 Expenses					
(a) Employee benefits expense	50.28	42.84	28.97	170.12	109.24
(b) Clearing & settlement charges	36.25	36.15	33.43	139.67	120.65
(c) Depreciation and amortisation expense	28.83	28.92	28.64	118.07	114.70
(d) Other expenses	209.14	114.61	209.41	557.52	541.42
Total expenses	324.50	222.52	300.45	985.38	886.01
3 Profit before tax (1-2)	488.92	507.20	394.78	2,043.37	1,706.22
4 Less: Income Tax expenses					
(a) Current tax	139.00	207.00	136.15	665.00	533.15
(b) Deferred tax	8.84	(25.96)	11.20	(11.50)	11.26
Total Tax expenses	147.84	181.04	147.35	653.50	544.41
5 Profit / (loss) for the period / year (3-4)	341.08	326.16	247.43	1,389.87	1,161.81
6 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	(0.50)	15.65	(1.70)	2.87	(14.82)
(b) <i>Items that will not be reclassified to profit or loss (net of tax)</i>					
Remeasurements of post-employment benefit obligations	0.13	(0.77)	0.63	(1.60)	(0.09)
Changes in fair value of FVOCI equity instruments	11.22	(3.44)	7.45	(1.09)	6.67
Total other comprehensive income / (loss) for the period / year, net of taxes	10.85	11.44	6.38	0.18	(8.24)
7 Total comprehensive income / (loss) for the period / year (5+6)	351.93	337.60	253.81	1,390.05	1,153.57
8 Paid-up equity share capital (Face Value ₹ 1 per share)	49.50	49.50	49.50	49.50	49.50
9 Reserves (excluding Revaluation Reserve)				6,333.94	5,921.26
10 Earnings per equity share (EPS) (Face Value ₹ 1 each)					
- Basic and Diluted (₹)	6.89*	6.59 *	5.00 *	28.08	23.47

* Not annualised

Statement of Asset and Liabilities		
	(₹ in crores unless otherwise stated)	
Particulars	As at 31.03.2019 (Audited)	As at 31.03.2018 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	492.83	502.45
Capital work-in-progress	3.22	22.55
Other intangible assets	62.49	36.40
Intangible assets under development	22.55	20.04
Investment in subsidiaries, associates and joint ventures	981.67	941.67
Financial assets		
- Investments	2,700.01	3,039.41
- Other financial assets		
Non-current bank balances	79.30	58.70
Others	107.40	6.46
Income tax assets (net)	343.44	250.05
Other non-current assets	16.05	14.48
Total non-current assets	4,808.96	4,892.21
Current assets		
Financial assets		
- Investments	2,201.91	2,246.55
- Trade receivables	368.61	328.28
- Cash and cash equivalents	39.38	44.81
- Bank balances other than cash and cash equivalents	701.86	179.73
- Other financial assets	80.28	42.97
Other current assets	96.52	66.36
Total current assets	3,488.56	2,908.70
TOTAL ASSETS	8,297.52	7,800.91
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	49.50	49.50
Other equity	6,333.94	5,921.26
TOTAL EQUITY	6,383.44	5,970.76
LIABILITIES		
Non-current liabilities		
Other financial liabilities	9.57	9.64
Provisions	12.01	11.03
Deferred tax liabilities (net)	32.92	44.91
Other non-current liabilities	5.39	5.39
Total non-current liabilities	59.89	70.97
Current liabilities		
Financial liabilities		
Deposits	1,092.68	1,139.08
Trade payables		
Total Outstanding dues of micro enterprises and small enterprises	0.01	1.20
Total Outstanding dues of creditors other than micro enterprises and small enterprises	80.32	129.40
Other financial liabilities	155.00	125.21
	1,328.01	1,394.89
Contract Liabilities	13.02	-
Provisions	59.25	41.43
Income tax liabilities (net)	68.78	12.38
Other current liabilities	385.13	310.48
Total current liabilities	1,854.19	1,759.18
TOTAL LIABILITIES	1,914.08	1,830.15
TOTAL EQUITY AND LIABILITIES	8,297.52	7,800.91

Notes :

- 1 The above Standalone Financial Results for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on May 16, 2019. The financial results for the year ended March 31, 2019 were subjected to an audit by the Statutory Auditors and the figures for the last quarter of the current year and corresponding quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto third quarter. The figures up to the end of the third quarter were only reviewed by the Statutory Auditors of the Company and not subjected to audit.
- 2 The Company has paid Final Dividend of ₹ 451.44 crores (including Dividend distribution tax) as approved by the Shareholders in the Annual General Meeting held on August 3, 2018. The Company has also paid an Interim Dividend of ₹ 544.59 crores (including Dividend distribution tax) as approved by the Board of Directors at its meeting held on October 31, 2018.
- 3 The Board of Directors have recommended a dividend of 800% (₹ 8 per equity shares of ₹ 1/- each).
- 4 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 MD & CEO of the Company. The Company operates only in one Business Segment i.e. facilitating trading in securities and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- 5 Securities and Exchange Board of India (SEBI) had directed NSE to carry out an investigation including forensic examination by independent external agencies in respect of certain aspects of NSE's Colocation facility. NSE got the investigation carried out and submitted the reports to SEBI. Further, SEBI had directed that pending completion of the investigations, all revenues emanating from the colocation facility with effect from September 2016 be transferred to a separate bank account. Accordingly, as of March 31, 2019, an amount of Rs.2,258.71 crores (March 31, 2018 Rs.1,197.26 crores) was transferred to a separate bank account and have been invested. These investments along with accruals have been shown under restricted / earmarked investments and bank balances.

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

Additionally, NSE has also received Adjudication notices covering the above three orders which are currently pending for hearing before SEBI.

The Company has received the orders passed by SEBI and has sought legal advice thereon. Having regard thereto, the Company believes that it has strong grounds to contest the above orders including monetary liability (including from adjudication proceedings) raised by SEBI. The company intends to file appeals before the Hon'ble Securities Appellate Tribunal (SAT) against the orders passed by SEBI. Accordingly, no provision for any liability in this regard is considered necessary in the financial statements for the year ended March 31, 2019.

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 16, 2019



May Prosperity always bloom

Vikram Limaye
Managing Director & CEO
DIN : 00488534